

NEWS ROUNDUP

Ford staff back action over pay

The Ford motor company was on the brink of a potentially damaging strike after a big majority of its 32,500 hourly-paid workers rejected a final pay offer yesterday.

The workers voted to authorize the unions to take industrial action. Union leaders will meet next Tuesday before final talks with management next Thursday.

Wildcat strikes leading up to the vote have cost Ford 13,000 cars, valued at almost £100 million, in lost production. The company had offered a three-year deal, which included a rise of 5 per cent for the first year and two further rises in line with inflation and improvements in sick pay, training facilities and pensions.

But the unions are seeking an immediate 10 per cent rise and other improvements in working conditions.

Paperboy Questions on killing

Police condemned a hoax yesterday who made two anonymous calls claiming that Stuart Gough, aged 14, the missing paperboy, was safe.

The caller twice telephoned BBC Television in Birmingham, but Chief Supt Tony Warren said the claim was almost certainly not genuine and cruelly raised hopes for the family.

The search for the boy, from Hagley, Hereford and Worcester, entered its fifth day yesterday, with hopes fading that he would be found alive.

A man was being questioned by police in High Wycombe, Buckinghamshire, yesterday in connection with the death of Rachael Partridge, who was found strangled in a barn at Bledlow, Oxfordshire, five months ago.

The man was said to be a steel erector, aged 29, from Buckingham.

Miss Partridge, aged 17, from Chinnor Hill, Chinnor, Oxfordshire, died after being given a lift home from a friend's house where they were planning a holiday. She had hitched a lift rather than spend money on a taxi.

Arrest in rape hunt

A man wanted in connection with 24 sex attacks in the North-west was arrested early yesterday after a shotgun was fired at police officers.

The man was arrested after he tried to escape from a van at Bebbington, Merseyside. He later allegedly threatened two officers at Leeds last month. The nationwide hunt was led by the Greater Manchester police.

The man, who had head injuries when he was arrested, was being held under armed guard at Arrowe Park Hospital, Birkenhead.

Actress foils raid

An actress tackled a burglar and recovered watches and cash valued at £30,000 in a raid at the home of Mr Michael Winner, the film director.

Miss Jenny Seagrove, aged 29, who appeared in the television series, *A Woman of Substance*, surprised the man in a bedroom at the house in Holland Park, west London, and chased him into the nearby Commonwealth Institute.

She wrestled the man to the ground and recovered the watches and cash before he escaped with a gold watch valued at £4,000.

Flying cat goes home

Felix, the cat who flew 179,900 miles between 29 countries after escaping from her box in an aircraft hold, had a taste of caviare and a snuff of champagne before taking off in style from Heathrow yesterday bound for her original destination, California.

For a cat who was enticed half-starving from a hold on January 1 after evading capture and living on condensed water drops during her epic journey, yesterday's flight represented high luxury.

Felix, nursed back to health in a quarantine centre, travelled in a specially made, large box with a Pan American employee for company in the plane's first class compartment.

MoD chief faces more questions

By Martin Fletcher
Political Reporter

The Commons Public Accounts committee may take the unusual step of calling back Mr Peter Levene, Chief of Procurement at the Ministry of Defence, to answer further questions on a controversial £220 million defence contract.

In spite of his three-hour appearance before the committee on Monday night some members still have serious doubts about the way the MoD awarded the contract in December 1986 for battlefield ammunition transporters known as Drops.

They were dissatisfied with some of Mr Levene's replies, and with a confidential report from the National Audit Office which limited itself to whether the MoD followed the correct procedures rather than whether the best system was chosen.

In addition they believe they were given insufficient time to digest copious written evidence and that too much of the three hours was taken up by general questions on defence procurement irregularities.

For the Public Accounts Committee to re-call a witness is extremely rare and has not happened since the DeLorean sports car affair.

While there is general dissatisfaction about Monday's session, other members believe the committee should wind up its inquiry so the defence select committee, which has a wider remit, can set to work.

A former Conservative Defence Secretary, Sir Ian Gilmour, has denounced MoD handling of the Drops contract as a scandal, alleging a firm called Boughmans was unfairly excluded from the selection process.

The contract went jointly to Foden and Seamm.

Army takes over Irish border security

The Army is to establish a new brigade headquarters to take over all security operations along the meandering 308-mile border with the Irish Republic. It comes in response to the belief that the Provisional IRA possesses substantial new supplies of sophisticated weaponry, including shoulder-launched surface-to-air guided missiles supplied from Libya.

The new formation, 3 Brigade, was announced yesterday by Mr Tom King, Secretary of State for Northern Ireland. It will become operational in the summer at Drumahaire Barracks in Armagh, only a few miles from the south Armagh border zone, and comprise units transferred from the 39 Brigade at Lisburn and 8 Brigade at Londonderry.

They will code to the new unit the responsibilities for patrolling their respective stretches of the border and concentrate wholly on support of the

Royal Ulster Constabulary elsewhere.

No increase is foreseen in current troop levels in Northern Ireland, which are now about 10,000 regular troops and 6,500 men and women of the Ulster Defence Regiment, both full-time and part-time volunteers.

The changes will, in effect, restore the situation which prevailed until September 1981 when the former 3 Brigade headquarters at Portadown was closed and its units transferred to 39 and 8 Brigades.

Mr King said yesterday that, "against the background of recent events", he had reviewed the security forces' deployment with the chief constable and the Army commander.

The move would involve no change in security policy in which the chief constable had overall responsibility and in which all other operations were conducted within the law, Mr King said.

Observers are, however, in no doubt that the role and influence of the RUC in the border zone will be much reduced.

Mr Ken Maginnis, the Official Unionist MP for Fermanagh and South Tyrone and a former UDR major, said the supposed arms build-up would not have arisen had proper security policies been adopted earlier.

Mr Seamus Mallon, the SDLP deputy leader and MP for Newry and Armagh, saw Mr John Stanley, Minister of State for Northern Ireland, in London to express his reservations. It threatened to create a fully militarized zone, he said.

Mr Pope yesterday strengthened the forces opposed to liberalization of Irish society by appointing a church traditionalist as Archbishop of Dublin and Primate of Ireland (John Conway writes).

The Pope ordered Monsignor Desmond Connell, aged 61, a professor of

metaphysics, to move from the academic cloisters of the university to become the spiritual leader of more than a million Irish Roman Catholics.

Because of the powerful hold of Roman Catholicism in Irish society, the position carries considerable political influence in church-state relations and is akin to being "ecclesiastical prime minister".

Monsignor Connell's two immediate predecessors frustrated government attempts to make the Irish Republic more attractive to Northern Ireland Protestants by introducing divorce and other changes designed to remove sectarian features from the constitution. Monsignor Connell, a close friend, advised them on Vatican strategy.

Yesterday's appointment is a disappointment to most of Dublin's 600 priests who had favoured the promotion of Dr Donald Murray, an assistant bishop in the diocese.

Labour left set for new challenge to leadership

By Philip Webster, Chief Political Correspondent

Labour's hard left is threatening a three-year challenge to the leadership to stop what it sees as the drift away from socialism.

Mr Neil Kinnock's leadership and Mr Roy Hattersley's deputy leadership will be contested in elections at the annual conferences in 1988, 1989 and 1990 if leading members of the far-left Campaign Group get their way.

Although the left has threatened before to challenge Mr Kinnock, only to back down, there appears to be a greater determination on the left than for several years to use the electoral college system for which they campaigned so hard in the 1970s.

The Campaign Group on Wednesday night discussed for two hours the question of mounting a challenge. According to several people at the meeting there was no opposition to the idea, but it was decided to canvass the constituency parties and union branches to see if there was support.

Opinion in the group appeared to have hardened in favour of an election in the wake of Mr John Prescott's decision to pull out of the deputy leadership race, and his subsequent humiliation by Mr Kinnock.

Mr Dennis Skinner, Labour MP for Bolsover, called Mr Kinnock's behaviour "authoritarianism at its worst".

Mr Kinnock said last night that he was not bothered by the prospect of such a challenge.

But interviewed on TV South, he said: "What would be a shame is if we have further distractions. The huge



The charred ruin of the house in Eccles, Manchester, where two children and their stepfather died yesterday in a fire which firemen say was fuelled by burning foam furniture.

Smoke detectors

Demand for removal of Vat

By David Sapsted

Chief fire officers yesterday called on Mrs Margaret Thatcher to abolish Vat on smoke detectors after three more people died when fumes from burning polyurethane furniture filled their home.

Although the Government recently announced a ban on the use in furniture of the two most dangerous types of foam from February next year, fire chiefs pointed out yesterday that this year's mounting death toll showed that millions of homes would contain deadly foam for at least the next two decades.

The latest deaths involved two boys, aged two and eight, and their stepfather at a house in Victoria Crescent, Eccles, Greater Manchester. The

deaths of a teenager and her father in Forton, Staffordshire, on Wednesday were attributed to foam fumes and, earlier this month, 10 children and two adults perished in house fires involving polyurethane.

West Midlands Chief Fire Officer Mr Brian Fuller, president of the Chief and Assistant Chief Fire Officers' Association, said yesterday that he was writing to the Prime Minister to press for Vat on smoke detectors to be abolished and for expenditure by local authorities who install the devices in council homes, to be exempt from grant penalties.

"Smoke detectors can give people precious extra minutes to escape from fires. We will continue to press the Govern-

ment to take action to provide a financial incentive for every householder to buy them".

His call was echoed by Greater Manchester Chief Fire Officer Mr Tony Parry, whose brigade launched a campaign on Tuesday to persuade people to install detectors.

In yesterday's fire at Eccles, Matthew Mayall, aged two, his brother Michael, aged eight, and their stepfather Anthony died after a fire started in a downstairs room.

The boys' mother, Mrs Ruth Mayall, aged 40, escaped by jumping out of a first-floor window and was in a comfortable condition at Hope Hospital, Salford, last night. Her three other children, all teenagers, escaped from the house

NHS spending comparisons

Patient cost highest at strike hospital

By Martin Fletcher and
Andrew Morgan

North Manchester General Hospital, where nurses recently staged the first shift strike in the history of their profession, spends nearly twice as much on treating each in-patient as a neighbouring general hospital, Stepping Hill, in Stockport.

According to North Western Regional Health Authority figures obtained by *The Times*, there are wide differences in the average costs of in-patient treatment between hospitals in the region, ranging for example from £605.28 per in-patient to £1,107.33.

The figures are among the first produced under a new requirement placed on health authorities last year, and the Department of Health and Social Security regards them as a good broad indicator of performance.

Conservative MPs last night seized on them to back the claim of Mr John Moore, Secretary of State for Health and Social Services, that there was huge scope for efficiency savings within the National Health Service.

AVERAGE IN-PATIENT COSTS

Hospital	Cases	In-patient cost
Stepping Hill	29,307	£605.28
Tameside General	26,639	£630.09
Bolton General	26,456	£655.77
Birch Hill	20,717	£670.72
Victoria, Blackpool	31,410	£705.65
Royal, Preston	27,123	£727.03
Wythenshawe	30,022	£746.15
Hope	23,128	£805.36
Manchester Royal	23,149	£855.36
Withington	26,991	£892.65
N Manchester Gen	22,029	£1,107.33

"The variety in level of performance, disclosed by these figures is staggering, and having seen them I am not in the least surprised that some hospitals are in a state of crisis", Mr Tony Favell, MP for Stockport and a health service expert, said.

The figures do not take account of important factors such as the sorts of operation performed at each hospital, the types of patient treated and the age of buildings and facilities.

However, similar discrepancies in average costs also exist in the treatment of out-patients where such factors would be less important. It is the same hospitals that

manager, said that the general hospital had much lower in-patient costs per day and a much higher bed occupancy level than some local hospitals.

"The figures quoted mask the fact that 37 per cent of the 1,100 beds at North Manchester General are long-stay. "A more accurate reflection of the North Manchester's efficiency is to examine the cost per in-patient per day and the bed occupancy", Mr North Manchester had the lowest cost per bed per day, averaging £72.

Mr Ian Fowler, a spokesman for the authority, said that it did not regard out-patient costs as a reliable guide to efficiency as there were often variations in the way in which different authorities apportioned such costs.

Out-patients costs were lower than at the Withington Hospital, the other undergraduate teaching hospital in the comparison, he said.

The cost per out-patient attendance are: Stepping Hill £16, Tameside £18, North Manchester £26, Withington £30.

Coal board threat to dismiss pickets

By Tim Jones

British Coal warned 10 Yorkshire miners yesterday that they would be dismissed if they mounted any more flying pickets to disrupt production.

The warning was issued as the men prepared to vote in today's election to determine whether Mr Arthur Scargill will retain the presidency of the National Union of Mineworkers (NUM).

Meanwhile, Mr Scargill's moderate opponent, Mr John Walsh, accused the NUM leader of planning to dominate the union by trying to push through plans for card voting on the national executive, a move that would effectively lead to the union's policy decisions being made by Mr Scargill's supporters from the dominant Yorkshire coalfield.

Mr Walsh said: "I have always thought that when they met around a table executive members of the NUM should be equal. This is an obvious attempt by Mr Scargill to strengthen his control of the union."

British Coal made it clear

that, whoever wins the election, it is determined to root out the "small militant faction in the South Yorkshire area" which it accused of staging wildcat strikes and damaging what should be a prosperous coalfield.

Yesterday, 10 men from the Bentley colliery near Doncaster were told that they would be dismissed if there were any repeat of the flying picket operation that virtually closed the coalfield this month.

The men, who were identified from photographs and television news reels, staged the action in support of three colleagues who had been forced to change jobs because of management claims that they had not been working hard enough.

In a letter, Mr Ted Horton, British Coal's area director for South Yorkshire, told them: "British Coal have warned repeatedly of the harm caused by stoppages of this kind. If they go unchecked, they will result in lost production, lost customers and lost jobs... this letter, therefore, is a final warning."

New silicon chip is fastest

Robert Matthews, Technology Correspondent

Britain can now build the world's fastest silicon chips after a breakthrough by Plessey, the electronics company.

Professor William Gosling, its technical director, said yesterday that the chips will be at the heart of the next generation of "supercomputers", computers capable of performing in a second billions of calculations of the kind used in weather forecasting.

Next week the company will announce a deal with an American computer manufacturer which will exploit the

speed of the devices made by Plessey.

Electronics companies around the world have invested millions in trying to speed up the "switching rate" of the microscopic components of chips, as the faster the switching, the quicker the rate at which calculations can be carried out.

Until the Plessey breakthrough, it was widely believed that ultra-fast chips would have to be made of esoteric materials 10 times more expensive than the silicon metal traditionally used in electronics.

Professor Gosling said that research at his company had shown that by altering the atomic structure of silicon, it was possible to build electronic components which switched 18 billion times a second. That is twice the speed achieved by other companies.

"It's the fastest silicon in the West", Professor Gosling said.

The ultra-fast chips will need less electrical power than rival devices, opening up the possibility of battery-powered calculators with far greater computing power than is available now.

City job cuts reflected at car auctions

By Daniel Ward, Motor Industry Correspondent

City "yuppies" are not only faced with the threat of redundancy in the jobs shake-out after Black Monday but are having to return expensive Porsches and Mercedes, perks that came with their six-figure salaries.

Ten BMWs, Mercedes and VW Golf GTIs, together with a dozen more humble models, went under the stockbroker's hammer yesterday after stockbrokers handed back coveted fewer than 1,500 miles from delivery. Many City high fliers are given a generous monthly allowance to lease any car they choose.

A top Mercedes model worth more than £25,000 had been driven only 1,300 miles in five months, a year-old BMW just 1,400 miles. Car dealers paid high

prices for such cars, the Mercedes fetching £24,100.

Less than 18 months ago, the rush to recruit top staff before the City Big Bang sent Porsche sales to record levels and demand for other top German luxury cars soaring. The City became a big market for expensive cars. More than a third of all Porsches are sold within the boundary of the M25 motorway round London.

The stockbrokers County NatWest alone lease 650 cars for employees, with most opting for Audis, BMWs and Mercedes.

Mr John Callum, managing director of the car fleet company PHH, said yesterday: "The cars were from stockbrokers who could no longer afford them or as a result of redundancies."

He added: "The sale of these cars is a direct reflection of the City rationalization". Company cars leased from fleet companies would normally be kept for two or three years or for up to 50,000 miles.

Several hundred employees with top companies, awarded huge salaries as part of the City recruitment drive, have been dismissed and one stockbroker predicts that up to 50,000 will ultimately lose their jobs in the City. PHH expects more cars to be returned.

Not all redundant stockbrokers are faced with a deflated bank balance. A Porsche was withdrawn from the auction at the last moment as an executive had decided to buy his former company car.

TOMORROW



The Times Property Guide

The full colour 16-page Times Property Guide tomorrow includes answers to some thorny legal problems, key developments in town and country, and why golf courses matter when buying a holiday home. Order your copy of *The Times* today.

Prisons to erect wire aircraft defences

By Nicholas Wood
Political Correspondent

Wires strong enough to wreck helicopter rotor blades are to be installed above exercise areas at all dispersal prisons housing category A inmates, Mr Douglas Hurd, the Home Secretary, announced yesterday.

The measure is designed to prevent repetitions of the helicopter incident at Gartree last month, when two inmates, still on the run, flew to freedom.

Dog patrols are to be increased while prisoners exercise outdoors, and, where practicable, prison officers will keep watch from observation posts for aircraft.

Wire barriers will be put up at Wormwood Scrubs, Wakefield, Frankland, Long Lartin, Albany and Gartree. Full Sutton and Parkhurst prisons already have such defences.

Mr Hurd's announcement comes after an inquiry into the Gartree escape by Mr Gordon Lauder, deputy director of the Prison Service.

The Home Secretary said Sydney Thomas Draper and John Kendall were able to escape by air largely because there was no physical barrier to prevent the helicopter from landing.

Since the escape, prison timetables have also been changed to make it more difficult for inmates to predict their day-to-day movements.

Mr Hurd rejected claims by prison officers that reduced manning levels contributed to the escape.

Scattered high-security units may replace Peterhead prison in Grampian, Scotland, by 1993. The unit option is one of several being considered by the Government.

Judge attack on rape case report

A High Court judge at Lincoln Crown Court yesterday criticized a rape case report in *The Times* last week based on information from a news agency.

Mr Justice John Owen, following media coverage of his comments while sentencing a man for raping a girl aged 12, said it was "misleading and mischievous" to suggest he had told the victim she would "once have been described as asking for trouble in willingly going to her attacker's flat".

He said the girl was not in court when he made the remarks and they were directed at the accused in order to demonstrate that "there is no excuse for rape", however foolish the victim might have been.

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'Robber stood by as policeman was shot dead in cold blood'

By Ian Smith

An alleged robber stood "horribly, welded to the spot" as his armed accomplice approached a policeman taking cover outside a church and shot him at point-blank range, a court was told yesterday.

Near by, a second policeman lay bleeding from a pistol wound to the stomach, received when he tried to arrest the men as they attempted to steal a car to use in robbing a Post Office van of £11,000, Leeds Crown Court was told.

David Gricewith, who is now dead, had fired at a third officer giving chase near Leeds Parish Church, and then stopped a motorist in the city centre and hijacked his vehicle.

The events occurred on October 31, 1984, and led to one of the biggest murder inquiries undertaken by West Yorkshire police.

Mr Paul Guest, aged 41, of Windsor Drive, Moor Lane, Wigginton, York, is charged with the murder of Police Sergeant John Speed, aged 39, and the attempted murder of Police Constable John Thorpe, aged 39. He is also accused of conspiring with Gricewith to rob the Post Office, and of carrying a firearm with intent to commit robbery. Mr Guest denies all charges.

The court was told that Gricewith accidentally shot himself while being pursued after robbing a supermarket at Stockton-on-Tees 11 months after the police sergeant was killed. Gricewith crashed his car into a wall and was hit by a blast from a shotgun cradled on his legs.

Mr Guest had surrendered to police five days later.

Mr Geoffrey Rivlin, for the prosecution, alleged that Mr Guest had been anxious to distance himself from the crimes committed by his

friend and, in an attempt to convince detectives of his innocence, had lied repeatedly, denying all knowledge of the shootings.

It was only when he was arrested on suspicion of murder on February 25 last year that he had confessed.

He was said to have told the arresting officers: "I was there. I could not believe what was happening with people, policemen, getting shot. I was petrified, mortified. I was horrified and was welded to the spot."

For that reason, Guest said, he had remained silent for 2½ years about the killing of Sergeant Speed.

Mr Rivlin told the jury that both men had plotted to rob a Post Office van. The first stage involved stealing a car, and it was while they looked for an unmarked vehicle that they were approached by PC Thorpe, who had since retired from the force and become a civilian clerk.

Mr Thorpe told the court that, as Gricewith tried to walk away, he had grabbed his arm and started questioning him. "At that stage I could feel him begin to tense up and I knew that he was nearing the stage where he was going to do something."



Sergeant John Speed: shot at point-blank range

When he decided to arrest Gricewith, "The man made to run straight away. I grabbed hold of him and he crouched down. I was surprised, he was not fighting, he seemed perfectly relaxed. He suddenly turned very fast and I saw what I thought was the chamber of a gun. Then I heard a shot go off. We were suddenly apart and my legs gave way. Initially my stomach was feeling dead, just numb. I thought the gun must have fired a blank cartridge. Then I saw a small hole in the front of my tunic."

Mr Rivlin said that, in spite of his injuries, the officer continued to radio for help. Sergeant Speed arrived and tried to corner the gunman but Gricewith shot him. He also tried to shoot PC John Raj.

The prosecution submitted that there was no doubt that Paul Guest was present throughout the shootings. "We say he was a good friend of Gricewith and did not move a muscle or utter a word, did nothing to try and stop what was happening."

Both Mr Guest and Gricewith evaded a massive police search and it was not until Gricewith died that the identities of the two men involved in the murder of Sergeant Speed became known.

Mr Guest went to a police station and was later questioned by a detective at his home. His wife, Alison, had described Gricewith as a very dangerous man. She said it had made her shudder to think that her son had stayed at the gunman's home.

However, Mr Rivlin argued that her statement was "sheer hypocrisy". Both she and her husband knew what had taken place and were attempting to hide their part in it.

The case continues.

Mrs Kinnock launches 'fat cat' appeal



Mrs Glesys Kinnock with Cats characters Skimble, played by Richard Curren (left), and Gemina, played by Ruthie Henshall, at the Theatre Royal, Drury Lane, for the launch yesterday of the PR Fat Cat Effort, a sponsored slimming campaign to raise funds for the Hospital for Sick Children, Great Ormond Street. The campaign is being organized by the Grayling Company on behalf of the public relations industry (Photograph: Chris Harris).

Fatigue blamed on virus

'Malingering disease' proved genuine

By Thomson Prentice, Science Correspondent

Researchers have found the cause of a viral illness which affects about 100,000 people in Britain but which has often been dismissed as imaginary by doctors.

The discovery is likely to lead to easier diagnosis of the condition, myalgic encephalomyelitis (ME), also known as post viral fatigue syndrome, and to the development of drugs to treat it, scientists believe.

Yesterday, the author and former yachtsman Clare Francis, herself a victim, launched a campaign for more research and improved medical understanding of the condition.

"The latest findings at last prove that this is a real disease and that those who suffer it, sometimes for years, are not malingers or neurotic," she said.

The illness produces excessive muscle fatigue, speech difficulties and problems with concentration and memory. Although most sufferers eventually recover, some have been confined to bed or wheelchairs for months and even years.

An explanation of the disease is published in *The Lancet* today by researchers led by Professor James Mowbray, of St Mary's Hospital medical school, London.

From studies lasting more than a year they were able to prove that many sufferers had chronic and persistent infection with viruses which thrive in the intestines and affect many of the body's muscles.

In blood samples they isolated a protein common to all the viruses. Their technique is a "sensitive and satisfactory method for investigating in-

fection" in sufferers, they report.

Professor Mowbray said yesterday: "I think our findings are good news for people with this miserable disease. We can prove an infection exists, which is quite a big jump forward. Many people,

including doctors, employers and friends of sufferers, didn't accept the illness as genuine."

He said the pharmaceutical industry could use the results to help in the search for an effective drug against those viruses.

Miss Francis said: "I have been to hell and back with this disease. I lost a year of my life. It has been the greatest challenge I have ever faced."

"I am one of the lucky ones who is recovering but there are many thousands of people whose lives are completely devastated. Until now they just have not been taken seriously by the medical profession."

She said that although there was evidence that most people recovered within two years, about 30 per cent remained affected for many years.

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Accused 'wanted to be famous'

A man accused of murdering seven old people admitted to police that he wanted to be famous, a jury at the Central Criminal Court was told yesterday.

They heard a hoarse, whispering voice, alleged to be that of Kenneth Erskine, in tape-recorded interviews said by the prosecution to have been made after he was seized at a DHSS office by Scotland Yard officers in July 1986, at the end of the spate of killings.

Mr Erskine, aged 24, was said to have been walking the streets the night before and to have admitted under interrogation, burgling flats "to survive". The taped speaker appeared to accept that he might have killed and forgotten about it.

He said: "I thought I would never get caught". Asked by an interviewing officer: "Do you want to be famous?" he replied: "Yes, yes, I used to act a little."

The officer said: "You want to be famous for breaking into flats?" The voice replied "No" and the officer said: "I think there is something else you have been doing as well". The reply was: "What do you mean?"

Mr Erskine was alleged to have said in the interviews: "What motive is there for me to murder anybody? I have never got any convictions for any violent or sexual offences. I have never harmed anybody. I have done a few burglaries in my time but I have never attacked anyone."

When it was pointed out that bodies were found in flats he was said to have replied: "I don't remember killing anyone. I could have done it without knowing it. I am not sure if I did."

Mr Erskine denies committing seven murders, four in the Stockwell area of south-west London, and attempting to murder an eighth victim.

The trial continues today.

£22m computer to boost air safety

By Harvey Elliott, Air Correspondent

The Civil Aviation Authority is to spend £22 million on a computer for the London air traffic control centre as part of a drive to improve standards and staff morale.

Mr Christopher Tugendhat, CAA chairman, yesterday said, however, that whatever changes the authority introduced, it would manage to keep pace with the rising demand for air traffic movements only "for the time being".

"The more fundamental question, which is one for the Government to consider, is how to make available additional capacity to serve the London area for the late 1990s and beyond," he told the Board of Airline Representatives in the UK in London.

Mr Tugendhat said the new computer at West Drayton would be more powerful and more efficient than the existing computer, which drew a chorus of complaints from controllers and airlines during last year's summer peak flying period. If the Government gives the go-ahead it should be ready for use by the summer of 1990.

Mr Tugendhat claimed the CAA is ready to tackle the cause of low morale among air traffic controllers as well as revolutionize their work patterns and install equipment to

help them to cope with the additional traffic.

"The causes of low morale have been complex and long-standing and there have been no quick-fix solutions for restoring it," he said. "What we are trying to do is to shake off out-dated, inappropriate and inflexible traditions."

The authority has negotiated a pay structure with controllers which will give them salaries of up to £30,000 a year at Heathrow and average annual pay of £20,000 for a controller aged about 20.

Linked to the pay structure is an agreement from the controllers that they will break the automatic link with the Civil Service pay round.

Air traffic controllers last night gave a cautious welcome to the proposals. "This is the first time the authority has acknowledged publicly that there is a problem of morale," the Guild of Air Traffic Controllers said. "We are delighted they are at last accepting something must be done and are going to improve the equipment."

The Institute of Public Civil Servants also welcomed the expenditure, but said the computer would not be in place until 1991 during which time there would have been a big increase in the number of flights their members would be expected to handle.

Officer guilty of cruelty

An officer who made life hell for recruits was dismissed the Army and sentenced to nine months in a detention centre yesterday by a Chelsea court martial.

Lance-Corporal Colin Todd, a Grenadier Guards barrack room instructor, of St Brenard, Jersey, was accused of a catalogue of cruelty which included almost strangling one recruit for having an untidy locker, twisting one recruit's ears and hitting another over the head with his unpolished boots.

Todd, aged 23, told senior officers after his arrest that his men were "useless", took too long to train and stopped him seeing his girlfriend and one-year-old child. He admitted all 11 charges of ill-treating soldiers and one of drunkenness.

The president, Major Edward Arundell, ordered him to be dismissed the Army and serve nine months in a detention centre. Private David Almond, aged 39, of Haywood, near Bolton, Lancashire, was dismissed the Army and jailed for 18 months by a court martial in Aldershot, Hampshire, yesterday after admitting obtaining more than 100 pairs of shoes worth nearly £3,000 for a regimental shop and selling them on a market stall.

The finding and sentence are subject to confirmation.

Drug may cut transfusions

By Our Science Correspondent

A drug which could reduce dramatically the need for blood transfusions after surgery should be investigated urgently, according to an editorial in *The Lancet* today.

It says that transfusion requirements were cut by 91 per cent in a series of open-heart operations by surgeons using the drug at two London hospitals. More than half of the small group of patients did not need a transfusion.

The surgeons say their success could be of "enormous" benefit to the blood transfusion service as well as reducing the risks to patients.

The treatment involves a drug, aprotinin, which was first developed for the treatment of acute pancreatitis and patients undergoing repeat

open-heart surgery which put them at "exceptional risk" of post-operative bleeding.

Seven of 11 patients who received the drug did not need a transfusion after surgery, while the blood loss of 11 patients who did not receive the drug was eight times greater. Those on the drug needed only a single unit of their own blood to be taken before they underwent a cardiopulmonary bypass.

The editorial says that in another series of less complicated operations for coronary artery bypass, 80 per cent of patients did not need donor blood.

The surgeons at the Hammersmith Hospital, west London, and the Humana Hospital, Wellington, north-west

London, concede that they do not fully understand how the drug works, although they believe that it protects blood platelets, which play an essential role in coagulation, during surgery.

The drug has been used to reduce blood loss after surgery at a few West German hospitals, but with less success. Two explanations for the latest advances are that higher doses of the drug were administered, and it was given from the start of anaesthesia until the end of the operation.

The Lancet says: "High dose aprotinin appears to offer major reductions in perioperative blood loss and transfusion requirements in cardiac surgery. Its role in non-cardiac surgery is uncertain, but warrants urgent investigation."

Judge gives incest man a warning

A judge told a man yesterday to stay away from his teenage step-sister "at least until she has attained maturity".

Judge Peter made the remark at the Central Criminal Court in London after the man, aged 27 and from Shepherd's Bush, west London, admitted incest charges.

Miss Joanna Korner, for the prosecution, said he met his step-sister, aged 14, for the first time in eight years at his wedding. They fell in love and had sexual relations.

The judge, sentencing him to 12 months, suspended for two years and with a supervision order, said: "I understand there was a genuine affection between the two of you. You have done some damage. You have a chance to keep away from that young girl at least until she has attained maturity."

The trial continues today.

Spycatcher allegations 'required public debate'

By Frances Gibb, Legal Affairs Correspondent

The press had "just cause" for reporting allegations made in the book *Spycatcher* because they came from "the horse's mouth" and were never independently investigated," the Court of Appeal was told yesterday.

Mr Charles Gray, QC, for *The Guardian* and *The Observer*, said that the allegations contained in the memoirs of Peter Wright, the former MI5 officer, required public debate and could not be debated "in a vacuum".

He said that, if the allegations were true, there could be nothing of more serious public concern than members of the

security services, who existed to prevent subversion, being engaged in acts of subversion.

The two newspapers are, with *The Sunday Times*, contesting an appeal by the Attorney General, Sir Patrick Mayhew, QC, against Mr Justice Scott's refusal in the High Court last month to ban press publication of the book.

Sir John Donaldson, Master of the Rolls, who with Lords Justice Dillon and Bingham is hearing the Government's case for a permanent ban on the book, intervened, saying: "Surely it must be the duty of, for example, the French security service in France to bug the British Embassy if they can."

Mr Gray said that it was "common ground" that a security service was bound by common law and such activity would be a breach of the Vienna Convention.

He agreed that such things had to go on and it would be naive to say they did not.

However, the thrust of the press's case on "public interest" on this point was that *Spycatcher* alleged a "wholly indiscriminate and uncontrolled" kind of bugging.

He challenged the Government's assertion that the press had to establish the truth of the allegations or show very good reasons why they believe them to be true. Legal authori-

ties did not support the government claim, Mr Gray said.

"These are allegations which come from the horse's mouth and, on the face of them, have to be taken seriously. We would say that, as a matter of common sense, principle and authority, that's quite enough for us to maintain our argument on 'just cause'."

It was fair to say that most of the allegations had never been investigated.

A government inquiry in the summer of 1977 did not extend to the allegations made by Mr Wright, and an earlier private inquiry was confined to allegations surrounding

Roger Hollis, the former head of MI5.

The only other inquiry was carried out by MI5 and was wholly internal, he added. The results were reported to Mrs Margaret Thatcher, who accepted them.

"We say that the nature of the allegations made by Peter Wright: the fact they are made by a former senior officer in the security service; the absence of any independent investigation into most of them; and doubt about the extent of such internal investigation as has taken place, all combine to give rise to a just cause to report those allegations."

Public houses, however, account for less than a quarter of all wine sales. The major growth has been through supermarkets, for home consumption.

Mr Tasker said that of the 28 million British adults who drank wine, more than half drank one bottle a month or less. If all wine drinkers were to consume just one more glass a week, an extra eight million cases a year would be sold.

Publicans making 100% profits on poor wines

By Alan Hamilton

Too much of the wine sold in public houses is of inferior quality, represents poor value for money and is not properly looked after, the Wine Development Board said yesterday.

The board, a promotional body funded by the wine trade, is launching a three-year campaign to improve the quality and choice of wines sold through such outlets.

Recent research by the board, to be published in April, shows that customers who ask for wine get a raw deal. It supports a survey conducted by *Which?* magazine last summer, which

concluded that most wine sold in public houses was unpleasant and overpriced.

Mr Arnold Tasker, the board's chairman, said yesterday that a great many publicans had no idea of how to keep wine, and that too many customers were reluctant to ask for it in public houses, which were still mainly associated with beer drinking and which had not fully developed their potential for selling food.

The board will try to educate brewers and publicans, persuading them to offer a choice of good and modestly priced wines.

Mr Tasker said every public house should offer a choice of at least three varieties, preferably a dry white Muscadet, a medium Liebfraumilch, and a light red Côtes du Rhône. Publicans should have a mark-up of between 35 and 45 per cent, keeping the cost of the average glass to under £1. Too many establishments, according to the board, make a profit of more than 100 per cent.

Mr Tasker said he would welcome legislation to standardize the measure of wine sold in public houses, which varied widely; he suggested that a 12.5 centilitre glass should be standard. Britons are 28th in the world league

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PARLIAMENT

Thatcher denies crisis and says NHS doing well

The National Health Service was not in crisis but was doing well, Mrs Thatcher said during Prime Minister's questions.

She said that 80 per cent of those who used the health service were highly satisfied with their treatment.

Earlier, she had been urged by Mr Neil Kinnock, Leader of the Opposition, to make Budget Day National Health Day by using the money available to save the NHS from further crisis.

Mr Kinnock said that it was clear that the Prime Minister had enough money to meet the demands of the presidents of the royal colleges and the nurses without further dispute and further crisis. Why did she not use that money now?

Mrs Thatcher said that he would have seen from the Public Expenditure White Paper published the previous day that there was a big increase in NHS expenditure for next year, 1988-89, of £1,100 million.

Mr Kinnock said that she knew that since those figures were calculated on exactly the same basis as the figures for this year, which had required her to find some supplementary amounts and still left the hospitals in deficit, she should realize that she was guaranteeing a further under-funding crisis for next year unless there was an additional amount.

Mrs Thatcher said that he was aware that the public expenditure estimates had just been published. Before they were published, in December, there had been an additional £100 million made available to the NHS to get over this difficult time of the year for some.

The amount of public expenditure had been decided and the Budget was about taxation and borrowing, not about how to add extra expenditure.

Mr Forman said that more attention should be paid to good news stories in the NHS such as the recent opening of the new maternity unit at a hospital in his constituency where the dedicated staff were able to deliver 10 babies a day.

Mrs Thatcher agreed. She remembered the opening of the hospital to which he referred and she congratulated it on the way in which it was getting up to its full capacity and the excellent work it was doing.

"Although we hear of very difficult cases from time to time,

HEALTH

since we debated this at question time last week 45,000 operations have been performed in the NHS. That is not a health service in crisis, it is doing well."

Dr David Owen (Plymouth, Devonport, South West) asked the decision of the Royal College of Nursing not to sanction strike action deserves more than just verbal support, she give nurses the assurance they wanted to hear - that the pay rise due to them would be funded in full by the Government and the price not exacted in any way from the National Health Service.

Mrs Thatcher: The Royal College of Nursing, for whom we have the highest regard, is very much aware that the nurses were given an independent Pay Review Body because the Royal College of Nursing had never

Of those who use the health service, 80% are highly satisfied with their treatment

gone on strike, because they cared too much for their duty to the patients. The Government of which he was a member cut pay to nurses by 20 per cent in real terms.

Mr Michael Giffys (North-West Surrey, C) asked if she recalled the words of Aneurin Bevan when he said that he was stuffing the mouths of doctors with gold.

As doctors seemed to have been very well rewarded over the year, was it not right to expect them to make their contribution to improving efficiency and value for money in the NHS?

Mrs Thatcher: Everyone has a duty to get the maximum out of the enormous resources that the taxpayer pays to the health service.

Performance varies very much between districts and between hospitals. We are hoping to increase the standards of those which are not so good at using their resources to the standards of the best. Doctors will take a very welcome part in that process.

Mr Barry Jones (Alyn and Deeside, Lab) said that in Chester District Health Authority on the eve of Christmas, two elderly patients were trans-

ferred between hospitals, as a result of cuts, in a four-ton Bedford van.

Mrs Thatcher: These matters really must be addressed to the local management - (Labour protests) - because it is their responsibility since 1979 and up to March 1988 - (Labour protests) - in the order of £500 million at current prices has been invested in capital in hospitals and the community health service in Wales.

Expenditure on the NHS in Wales has risen by one third after allowing for general inflation between 1979 and 1987. It is for management to make the best of the opportunities.

Mr Ralph Howell (North Norfolk, C) congratulated the Government on its firm and proper stand over the question of extra funds for the health service.

There was no shortage of funds. But the funds were being improperly used. Greater efficiency was needed. In the years' lifetime of the NHS, it had never been properly managed.

Mrs Thatcher: He is right. Nearly 1½ million people are working in the NHS. It can only be properly run by effective management. In the lifetime of this Government managers were appointed.

It is not the Government which provides the funds. It is the taxpayer. Last year, the average family of four was providing in taxes and charges £1,300.

This year, they will be providing £1,600. They have a right to expect that that money will be effectively used.

Mr Terence Field (Liverpool, Broadgreen, Lab) said that despite the pathological hatred of the health service - (loud Conservative protests) - which she sees as a manifestation of socialism to be destroyed, is she aware that on Wednesday February 10, health service workers and trade unionists in Liverpool will be engaging in a day of action to defend the health service?

Will she, at this eleventh hour, instruct the Chancellor of the Exchequer to divert the money to the health service, or is she prepared to accept full responsibility in the event of a nationwide NHS dispute?

Mrs Thatcher: I had hoped that he would condemn those who take action at the expense of the patients because it is the patients they are hitting. But it sounds as if the Labour Party is supporting them.



Call for alcohol-free drink

A suggestion that public houses should be made to stock non-alcoholic drinks over Christmas because of the pressures of social drinking was put to the Government during question time.

Mr Teddy Taylor (Southend East, C) (above), who had been told that there had been 5,259 positive roadside breath tests in England and Wales between December 19 and January 1,

said that excess drinking at Christmas time was a real problem.

"Bearing in mind the enormous social pressures on so many people to consume alcohol at Christmas, would he take steps to require publicans to stock non-alcoholic wines and beers particularly at that time?"

Mr Douglas Hogg, Under

Secretary of State, Home Office: He is right to emphasize the importance of making available, non-alcoholic drinks in public houses.

Mr Joe Ashton (Bassetlaw, Lab) said that it was time to start putting more drivers on the back. In the past 20 years the number of cars had increased enormously, yet the number of

accidents had gone down.

"The 'Scottish temperance society' continually slogs off drivers, who in fact have an excellent record. The speeding lorry going through fog on the motorway will do more damage, and more people were killed at Christmas by fires involving dangerous down-filled furniture than were killed on the roads by drunken drivers."

Broadcasting law 'is to change soon'

TELEVISION

Mr Douglas Hurd, the Home Secretary, said during questions that he would be announcing further proposals for broadcasting legislation within the next few months.

The proposals would centre on the future of television and could include measures to control the content of satellite broadcasts being beamed into Britain from abroad.

The Council of Europe was discussing in Strasbourg a convention treaty which would bind all 21 member countries and, if agreement was reached, legislation would be brought before the House.

Mr Gregory Knight (Derby North, C) said that the British public was getting a raw deal from the present BBC-TV "duopoly" of television.

Mr Hurd said that his depart-

ment was looking at a whole range of matters on the issue, including the possibility of Channel Five, the future organization of Channel Four, how ITV companies were to be let in the future, the possibility of direct broadcasting by satellite and the use of night hours.

"So it is a big change."

Mr Merilyn Rees (Morley and South Leeds, Lab) said that, after Mr Hurd's announcement of his plans for the future of radio broadcasting this week, it would be a good idea before legislation to give the House a chance to comment on the proposals.

Mr Hurd said that the Opposi-

tion had ways of promoting a

debate, but that he would take the suggestion seriously.

Mr Mark Fisher, Opposition spokesman on the arts, asked how many of the 500 representations the Home Office had received on the Green Paper on the future of broadcasting had recommended he should auction off the new national radio licences to the highest bidder.

"To sell off something as powerful and culturally important as these licences is totally irresponsible and careless and will not even command the support of organizations and individuals who are likely to be among the applicants."

Mr Hurd said that the question involved the allocation of three national commercial channels.

"You do that either by having a body which sits down and

arbitrates in an unsatisfactory and somewhat concealed way or you have a test of variety which any applicant will have to pass before he can bid. Then it can be done by tender so the taxpayer can benefit to some extent from the use of these limited national resources."

Mr Robin Corbett, an Opposition spokesman on home affairs, asked how Mr Hurd intended to ensure quality and balance in those stations whose licences would be "flogged off to the highest bidder."

Mr Hurd said consumer protection provisions had been included in the Green Paper and would be debated by MPs. "I am discussing with the BBC which two frequencies we propose to take from them to facilitate the three new commercial channels."

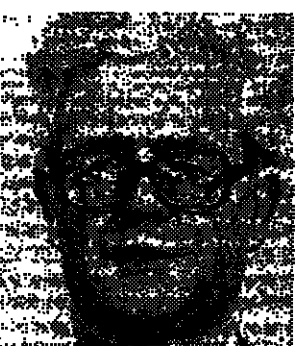
Gun clubs are not place to store weapons, House told

It was better for individuals to keep their guns at home rather than have them held by gun clubs, which would then become targets for terrorists and other criminals, Mr Douglas Hurd, Home Secretary said.

He moved second reading of the Firearms (Amendment) Bill, which Mr Roy Hattersley, chief Opposition spokesman on home affairs, said was worthy of a second reading.

Mr Hurd said that since the tragedy of Hungerford every tragic crime involving the use of firearms had intensified the loss of public confidence in the control system. "It is not in anyone's interest to leave unchanged such a shaky system."

He did not pretend that the Bill could provide an absolute guarantee against criminal



Mr Hurd: "Shaky system must be changed"

abuse, but it would reduce the risk to the community of such disorders.

Clause 1 was at the heart of the Bill because it extended the

list of prohibited weapons and ammunition which could be held only with the specific authority of the Home Secretary and such authority was not normally given to private individuals. Among weapons deemed unsuitable for private possession was the full-bore, self-loading rifle of the kind which Michael Ryan had used, and full-bore, pump-action rifles.

He recognized that the ban on self-loading rifles would affect the practical rifle shooter who would not be able to continue his sport with this gun. He had weighed the considerations, including lethality and the extent of use. The limited sporting use of these weapons when outweighed by their power to kill, and the risk of further misuse, was not something that

FIREARMS

he should ask the House to accept.

He recognized that compensation for those whose weapons would be prohibited in this way was an issue which caused many Conservative MPs, and possibly Labour MPs, concern.

As Mr Douglas Hogg, Under Secretary of State, Home Office, had said during questions today, "there are serious difficulties in objections to compensation. I am prepared to give further thought to the fresh arguments put forward and which may be made today. I do see great difficulties of principle and of practice in any form of compensation scheme but we

are prepared to give the suggestion further thought."

There would be a tightening up on the issue and renewal of shotgun certificates to reduce the instance of shotguns falling into the wrong hands.

Chief constables would have to be satisfied that public safety was not being endangered by the issue of a certificate, and applicants would have to give a good reason for seeking a certificate, but a good reason would include sporting, leisure and professional reasons.

The Home Office would issue guidance to chief constables on the way that this should be interpreted. Consultations would take place with representatives of the shooting community over this guidance.

He agreed with the shooters that it was better for individuals

to keep responsibility for their guns rather than have them held by gun clubs which would then become targets for terrorists and other criminals.

Mr Roy Hattersley, chief Opposition spokesman on home affairs, said that there were some items in the Bill to which he was opposed but, notwithstanding his reservations, there could be very little doubt about the need for tighter controls on firearms which this Bill provided and he therefore believed it worthy of a second reading.

Its main provisions would have been necessary with or without Hungerford. It was commonly important to make that clear, particularly to the shooters who would undoubtedly suffer greater inconvenience under the Bill.

But the shooters should support this vital measure because it was not an over-reaction to an isolated tragedy but a necessary improvement in the law governing firearms which Labour MPs had advocated long before the horrors of Hungerford.

Legislation could not protect society from a sudden act of lunacy or from the calculated criminal decision to obtain or use a gun, but it could prevent casual ownership and the lethal use of weapons which was sometimes the consequence of casual ownership.

Everyone accepted that the Bill would increase the inconvenience to legitimate gun owners, but they must not over-estimate that inconvenience. It did not amount to the major infringement of liberty which some of the circulated pamphlets suggested.

Charities reform on way, says Hurd

The Government hoped to put forward proposals for legislation on charities law later in this Parliament, Mr Douglas Hurd, Home Secretary, said during questions.

He said that the Government had warmly welcomed the report by Sir Philip Woodfield of his efficiency scrutiny of the supervision of charities.

The Government accepted the report's conclusion that, while the essentials of the present supervisory framework

were still necessary, the system was in need of extensive reform.

The report's proposals to strengthen the Charity Commission's powers, and in particular its capacity to deal with abuse, provided a sound basis for the future.

Mr Paddy Ashdown (Yeovil, L) welcomed the announcement in view of the abuses taking place. There were some cases where so-called charities were returning as little as 10 per cent for charitable purposes and

businessmen were earning fat salaries and expense accounts.

Mr Hurd said that the report had suggested that the Charity Commission should spend more time spotting that kind of problem rather than having to carry out pernickety procedures laid down by law.

Mr Nicholas Baker (North Dorset, C) also welcomed the report. Too many charities were suffering from maladministration and engaging in political advertising.

Mr Hurd said that there had been a huge expansion in charitable work in recent years and they needed to ensure that the framework was right.

Mr David Wainick (Walsall North, Lab) wondered whether the Liberals and SDP now qualified for charitable status.

Mr Hurd thought that they would have some difficulty submitting the necessary details of their rules and membership (laughter).

Limits for time spent on remand being extended

Tighter limits on periods spent on remand in custody in some areas were announced by Mr Douglas Hurd, the Home Secretary, when he was questioned about his experiment on restricting time spent in custody.

He said that eventually he hoped to extend the restrictions to the whole country.

Mr Hurd said that, so far, the custody time limits in the Avon, Somerset, Kent and the West Midlands were working well. From April 1 he proposed

to extend the tighter limits in the first three of these areas to Greater Manchester, to the whole of Wales, Cheshire, Cornwall, Devon, Dorset, Gloucestershire, Hampshire, the Isle of Wight and Wiltshire.

In the West Midlands the time limit to commitment would be reduced from 98 to 84 days, and time limits would be extended to the Crown Court at Coventry and Dudley.

Mr Anthony Favell (Stockport, C) asked when the experi-

ment would be extended to the whole country.

Mr Hurd: As we get on I hope to extend it over the whole country.

Mr Ivan Lawrence (Burton, C) said that if the 110-day rule, which operated in the United States and Scotland, were introduced, there would be a big reduction in the time spent in custody awaiting trial.

Mr Hurd said that Scottish procedures were different.

Labour MPs round on one of their own

By Martin Fletcher, Political Reporter

Labour frontbenchers rounded on one of their own MPs yesterday when he attempted to disrupt Commons business for the second time in three days by sitting in a committee of which he is not a member.

Dr John Cunningham, shadow Secretary of State for the Environment, and his deputy, Mr Jeffrey Rooker, asked that Mr Dennis Canavan should be reported to the Speaker when he staged a sit-in during the first half of the standing committee investigating the poll tax legislation. They received almost unanimous support.

On Tuesday, Mr Canavan, MP for Falkirk West, had forced the abandonment of a meeting of the committee examining the Scottish Housing Bill by staging a similar sit-in in protest at the presence of two English MPs on the Government side.

Yesterday he appeared again

at the Scottish housing committee, but said he was not staying because "the Government was threatening to table a motion to have him ejected."

Instead, he marched down the committee corridor of the Commons and installed himself in the poll tax committee.

The session was adjourned while Mr Rooker and a Labour whip, Mr Allen McKay, tried to persuade him to leave. When he refused, Mr Rooker moved a motion that he should be reported to the Speaker.

Chancellor is asked to tackle 'sacred cows'

By Richard Ford, Political Correspondent

The Chancellor of the Exchequer was urged yesterday to tackle the "sacred cows" of mortgage tax-relief and zero-rated value-added tax to create a fairer and low-rate tax society.

Mr David Howell, MP for Guildford and a former Conservative Cabinet minister, said that there was an opportunity for an historic tax-reforming Budget with room for big tax reductions and an easing of public expenditure restraint.

He said that it was time for the Conservative Party to support bold measures to get rid of "sacred-cow" tax reliefs and similar principles in the payment of social security benefits.

Mr Howell said that it was dotty to believe that the poor were helped by zero rating a wide range of items and that it would be fairer to apply a low rate of VAT on a number of

goods and then compensate those in need.

"The revenue position would be further strengthened, allowing still lower income tax, as well as more generous benefits to the needy, if the hysteria about VAT could make way for a more rational and fairer policy," he added.

He said that in any case after 1992 there would be no choice but to introduce a sales tax broadly in line with the rest of the European Community. He also called for the national insurance contribution to be renamed an national health insurance tax and linked directly to raising finance for the NHS.

He said that mortgage tax relief should be no greater for those cohabiting than for married couples and that couples should both be allowed a capital gains tax relief.

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Workers are 'better off in the North than South'

By John Spicer, Employment Affairs Correspondent

Office workers in the North are better off than higher-paid southern colleagues when house prices and the cost of living are taken into account, according to a survey of the pay and benefits of clerical, secretarial and other non-executive workers.

The survey, conducted by Hay Management Consultants, looked at 40 organizations employing a total of 7,000 workers in the North. They found that compared with London, average pay for office workers in the North-west was 22.5 per cent lower, in the North-east 26.6 per cent lower and in Yorkshire 29.8 per cent lower.

Looking at specific jobs, the survey found that a personal assistant/secretary earns an average of £9,000 a year in the North. An equivalent London job pays 35 per cent more.

A word processor operator is paid £6,000 in a northern office, while the going rate in London is about 40 per cent greater.

The survey says that Leeds appears to be emerging as the administrative "capital" of the North, drawing in administration functions previously found in cities such as Newcastle upon Tyne, York, Hull and Sheffield.

Mr David Fisher, of Hay Management Consultants, said yesterday that accountants in the area were reporting increasingly that private sector companies were basing their headquarters in Leeds.

The finding is supported by rocketing office prices in the centre of the city, caused by the increased demand.

The survey also found that pay increases in the North kept pace with those in the South last year - 7.5 per cent on average in the North, compared with a 7.6 per cent average for inner London.

The survey cites figures

recently published by the Halifax Building Society which showed that the average UK house price is £49,702, in Greater London £76,292; North-west, £34,666; Yorkshire and Humberside, £30,095; North-east, £30,582.

This shows, the report says, that average house prices in the North-west are 55 per cent lower than in London; in Yorkshire 60 per cent lower; and in the North-east 60 per cent lower.

"It would seem that the salaries paid in the north of England compare favourably to London and that although they may be less in absolute terms, the purchasing power in the North is much greater," says the report.

North of England Office Pay Survey. (Hay Management Consultants, Sovereign House, 12-15 Queen Street, Manchester, M2 4JL).

Record house-building figures are a further indication of a booming economy, the National House Building Council said yesterday.

Figures for 1987 showed wealth spreading to poorer parts of Britain, with the rate of increase faster in the North than the South-east.

The council's figures showed there were 194,200 private house building starts in 1987, 4 per cent more than in 1986 and the highest for 14 years.

In the winter quarter, when house building is usually at its slackest, the increase for 1987 on the previous year was even sharper at 28 per cent.

Mr Basil Bean, NHBC director-general, yesterday said he was encouraged to see an upturn all over the country, particularly where the economy had been "less active".

Starts in the 1987 winter quarter were up by 3 per cent on the previous quarter in the North but down 3 per cent in the South-east.

Naturalist harassed after legal battle

By Howard Foster

Police are investigating a series of incidents at the home of Mr Eric Ashby, the prominent naturalist and photographer who won a legal action seven months ago to prevent fox hounds from entering his wildlife sanctuary in the New Forest.

Mr Ashby, who turned 70 this week, called the police to his remote 2.5-acre sanctuary near Ringwood when he heard loud shots outside his house at night. An officer found a nine-shot bird scarer with a fuse in a nearby tree.

A few days later, an intruder poured a fox and badger repellent over a wild badger sett on his land and he is now waiting to see whether the animals inside - possibly with very young cubs - will abandon the earth mound.

The padlock on his garage door was recently cut off and the valves of his car tyres destroyed. The carcass of a fox was also found on his lawn.

A galvanised entrance gate was stolen a few days after it was installed and, for the past few months, cars have driven past his home hooting, the occupants shouting.

"I am worried about what may happen next. Things seem to be escalating," Mr Ashby said.

Since he won the injunction against New Forest Fox-hounds, the foxhunt has put up a 300-yard, 6ft-high fence around his land and, on hunt days, members add a 200-yard, 3ft-high electrified chicken wire fence.



Mr Eric Ashby enjoying the company of a 20-month fox cub at his New Forest home (Photograph: Harry Kerr).

"When I won the injunction, the judge said that an Englishman's home was his castle. It has now become a prison," Mr Ashby said. Police said: "It would appear that a group of people

is causing Mr Ashby a lot of small problems. We have every sympathy for him, but he lives in a very remote area and we cannot protect him all the time. He is a wonderful gentleman who does not deserve to

be persecuted like this."

Mr Stephen Sherwood, one of the hunt's joint masters, said he was confident that the incidents were not the work of any hunt followers.

"We would not condone this in any way. To be honest, he has upset so many residents in the forest that I am not surprised to hear that something has happened, although it is news to me."

Prisoners lose claim on right to legal help

Prisoners charged with serious disciplinary offences in jail have no absolute right to legal representation when their cases are tried by boards of visitors, the House of Lords ruled yesterday.

Five Law Lords unanimously dismissed appeals by two inmates at the Maze Prison, near Belfast, who claimed they were wrongly denied the right to legal representation when facing charges of assaulting prison officers.

Michael Hone and Richard McCartan were convicted of assault at hearings which took place before the prison's board of visitors in 1985.

Hone, serving life for murder and for causing explosions, was given 50 days loss of privileges. McCartan, serving 24 years for attempted murder, possession of firearms and explosives and membership of the IRA, lost 100 days remission.

Their claim was dismissed by the High Court in Northern Ireland in 1985.

Lord Goff of Chieveley said a board of visitors was bound by the rules of "natural justice". But it did not follow that, simply because a prisoner faced a serious charge relating to facts constituting a crime in law, natural justice always required the board to grant legal representation.

Law Report, page 30

BRITISH STEEL CHANGES THE FACE OF CHINA.

Shoppers face bulk buy future

By Christopher Warnman

People will buy up to six months' supply of key groceries at a time in the year 2000, shopping will be a leisure activity and women will do most of their by television, a conference was told yesterday.

Mr Robert Tyrell, of the Henley Centre, the marketing forecasters which organized the conference with Donaldsons, the chartered surveyors, said the "magic of compound growth" meant there would be a big rise in purchasing power, allowing £9 to be spent in 2007 for every £5 spent today.

He added that there was a continuing fall in the frequency with which people shopped for groceries.

Meanwhile, the proportion of shoppers using a car increased from 35 per cent in 1970 to 62 per cent in 1985, accelerating the bulk-buying trend.

However, he said: "The overall frequency of shopping looks set to increase as it becomes more of a leisure activity and people have more time for shopping."

Big rise in beef price predicted

By John Young

The price of beef will rise next year to its highest level since 1972, Mr David Parker, chairman of the beef promotion council of the Meat and Livestock Commission, predicted yesterday.

He said the drastic decline in calves from dairy herds, as cows were called to meet quota restrictions on milk production, was not being matched by an increase in specialist beef production.

There was concern over the shortage of pedigree breeding stock to re-establish the traditional suckler herds which once provided most beef supplies.

Another complication is the growing interest in bovine somatotrophin, a hormone derivative developed in the United States, which is claimed to increase milk yields by at least 20 per cent.

It is being tested on more than 1,000 cows in Britain. If it were widely used by dairy farmers it would further reduce the number of cows and calves.

Weekend food prices

Plentiful supplies cut the cost of fresh fish

Supplies of fresh fish have returned to normal after recent shortages and prices have dropped substantially. Codling, large cod, haddock, whiting, plaice and mackerel saw reductions of between 4p and 10p a lb. Large cod filets cost between £1.60 and £2.60 a lb; haddock, £1.60 to £2.99 a lb and plaice, £1.55 to £3.30 a lb. Dover sole costs between £2 and £6 a lb and lemon sole between £1.85 and £4.80 a lb.

Tiger prawns are £9.90 a lb; razor fish, £4.45 a lb and Venus clams, £1.50 a lb. Oysters are £5.90 a dozen and fresh scallops, 70p each.

Leg of lamb is down to about £1.85 a lb in the South-east and £1.77 in the rest of England and Wales. Saddle of lamb is about £2.56 a lb, neck filets are between £1.78 and £2.48 a lb, and minced lamb is £1.68 to £1.98 a lb.

Pork legs are down about 5p a lb to an average of £1.05. Boneless shoulder costs between 95p and £1.54 a lb; loin chops, £1.35 to £1.54.

Beef prices are stable. Any changes will amount to only a penny or two.

Meat and poultry offers this week include Marks and Spencer large and extra large chickens, 79p a lb; Downhills New Zealand legs of lamb, £1.39 a lb; Sainsbury New

Zealand stewing lamb, 49p a lb; Tesco shoulder of lamb, 99p a lb; Presto leg of pork, 88p a lb and Sainsbury whole shoulder of lamb, 94p a lb.

Pineapples from the Ivory Coast, Uganda and Ghana cost between 50p and £2.50 each, according to size. Citrus fruit is plentiful. Marmalade oranges are 25p to 35p; Spanish Almeria and Napoleon lemons, 50p to 80p a lb; New Zealand Kiwi fruit, 18p to 30p each; boxed dates, 85p to 95p; packed figs, 30p to 40p; Asian pears, 60p to £1.00 each, and Chile and Australian flame grapes, £1.70 to £1.90 a lb.

Early forced rhubarb is 50p to 65p a lb; strawberries from Carmel, 80p to £1.20 a half-lb and Bramley cooking apples are 30p to 40p a lb.

The best home-grown vegetables are Celtic January King and Savoy cabbages; Mushrooms are 35p to 55p a half-lb; cauliflower, 40p to 60p each; Brussels sprouts, 18p to 32p a lb; white and red potatoes, 11p to 15p a lb; spinach, 40p to 60p a lb; courgettes, 70p to 90p a lb and broccoli, from 50p a lb.

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In shape for things to come

Tensions high in occupied territories but Beirut barricades come down

Israeli troops wage grim battle against stones and despair

From Ian Murray, Kalandia camp, Occupied West Bank

With the drizzle seeping into their uniforms, the platoon was hanging round the main camp entrance, resting after its latest battle with a crowd of stone-throwing children. The men were fed up and said so.

Some were slumped on the wet ground, their backs leaning on a wall covered in Arabic anti-Israeli graffiti. Some paced back and forth with nervous energy, glaring down the empty street from where their tormentors come.

"Avi", the tall paratrooper, was limping. "I am a soldier and I have to fight children," he complained. "Look, they have hit me here with a rock" — and he tapped his calf gently with his wooden truncheon. "An hour ago they came at us and there were so many stones in the air the sky was black. They were children. How can we fight children?"

"Reuven", a little Romanian immigrant in horn-rimmed glasses and khaki belatawa, was less worried about that. "They would kill us if they could. Jewish blood is cheap around here. They want Jewish blood."

They were also angry about the international press. "You do not like us," said "Moshe", a serious young man wearing the grey beret of an engineer. "You describe us as though we were animals. You make the world hate us when we are only doing our job." Their main job was to keep the camp free of roadblocks.

They all saw this as defend-

ing Israel and the disturbances in the camp as the start of an attempt to drive Jews from the country. A red-haired young infantryman in a khaki kippa (skull cap) chimed in: "If they want peace, why do they do this? They can have peace if they want it. If they don't like

Mr Farouk Kaddoumi, head of the Palestine Liberation Organization's political department, said yesterday that the PLO would use "all means and ways" to oppose Israel's occupation of the West Bank and Gaza Strip (Our Foreign Staff writes). The current war was unlikely to abate, he said.

it here, they can go away and live in Jordan or Syria."

As a trainee officer, "Avi" was in command now that the platoon commander was being treated for a knee cap smashed by a rock. "We have to clear the rocks from the road. If we do not, then they will build them on the highway. Before long, they would be throwing stones in Tel Aviv."

They saw their enemy as the Palestine Liberation Organization. One of them peeled a damp poster out of his pocket and unfolded it to reveal the beaming face of Mr Yasser Arafat, the PLO chairman. "Look at him smiling there, the world's main terrorist."

Every night they stick his picture up on the walls and

every morning we have to tear it down."

"Reuven" said that the PLO was very wealthy, paid money to the children to throw stones, while Mr Arafat lived extremely well and controlled terror world-wide.

"Avi" saw that a small patrol he had just sent off was having trouble with some women at the first crossroads inside the camp.

The patrol had just ordered three young men to clear away stones that blocked the little side road. As they worked, four women, one with a child on her arm, screamed abuse at them in Arabic.

"Avi" was angry. "They say we beat them, and then they come out with their children in their arms. If you were a responsible person, would you go out with your child like that and shout at soldiers?"

He pointed down the hill with his stick. "That's where they come at us. We stand here at the crossroads and suddenly they come running at us, waving the Palestinian flag, throwing stones, screaming 'Allah Akbar' (God is Great) and 'Massacre the Jews'." He is tired. He has been on duty at the camp eight hours a day for a fortnight.

Would it not be better just to leave the occupied territories to the Palestinians? "This is our land," he answered fiercely. "We fought for it. My uncle died for it. It is ours."

Gaza and UK Jewry, page 12



Palestinian children giving a victory sign through the damaged wall of their home in the Chatila camp as a three-year siege by Shia Muslim guerrillas of two Beirut refugee camps ended yesterday.

Haggard refugees stared disbelievingly at bulldozers tearing down barricades around the camps (Reuters reports). One undertaker at the Bourj al-Barajneh camp said he had scraped out graves with his hands for children killed in the struggle with the Shia Amal militia.

Mr Nabih Berri, the Amal militia chief, said on Saturday that his men would withdraw from positions encircling the two Beirut camps as a gesture of support for Palestinian demonstrations in the Israeli-occupied territories.

There are 12,000 people in Bourj al-Barajneh and 3,500 in Chatila.

At least 2,500 people died in the camps war waged by Amal to curb the military power of the Palestine Liberation Organization.

WORLD ROUNDUP

Cambodia peace talks progress

Saint Germain-en-Laye, France (AFP) — Rival political leaders in Cambodia's nine-year-old civil war moved a step closer towards breaking their deadlock in a second round of peace talks here yesterday, with each side putting new proposals on the negotiating table.

Mr Hun Sen, the Prime Minister of the Vietnamese-backed Government in Phnom Penh, proposed a timetable for Vietnam to withdraw its 140,000 troops from his country during a two-year period — six months less than he had proposed in the first day of talks on Wednesday.

Prince Norodom Sihanouk, head of the Cambodian resistance, was quoted by his son, Prince Norodom Ranariddh, as offering to set up a two-party provisional government together with Mr Hun Sen. His proposal would leave out the Khmer Rouge and the non-communist Khmer People's National Liberation Front.

Nicaragua Trident request

San José — A high level Nicaraguan delegation has arrived here, requesting immediate peace talks with leaders of the Contra rebels (Martha Honey writes).

The first face-to-face talks between the Government and the Contras had been scheduled to begin here next week. But the Sandinistas say they now want them to begin immediately because they have learned that Archbishop Obando y Bravo, the designated mediator, must travel to Rome for two weeks beginning this weekend. The groups are anxious to start the talks before next month's US vote on a large new contra aid package.

Trident test fails

Washington — American officers yesterday destroyed an unarmed Trident-2 missile in flight when it apparently veered off course during a test firing, the Pentagon announced (Mollin Ali writes).

Range safety officers at Cape Canaveral, Florida, sent a radio signal to explode the missile when problems developed over the Atlantic Ocean, following its launch from the Kennedy Space Centre. It was the first failure in nine tests of the new nuclear missile, which is designed to give US and British submarines the ability to destroy Soviet missiles in their silos. There were no casualties or damage.

Skull is identified

Johannesburg — A skull found in a safe in the Transvaal Prime Minister's office was that of a woman who died in 1976 and whose steps were targeted by her murderer. But the case was dropped for lack of evidence (Ray Kennedy writes).

Two policemen later asked Chief George Matanzima, then Prime Minister, to have the case reopened, and the exhibits including the skull were put in his safe.

Nuclear watch

Bonn — The West German Bundestag yesterday set up an all-party committee to investigate two firms suspected of illegally exporting uranium capable of making nuclear weapons to Libya and Pakistan (John England writes). The committee will also consider tighter controls on nuclear firms.

Herr Klaus Töpfer, the Environment Minister, recently closed the firms, Nukem, and its subsidiary, Transnuklear, both of Hanau, near Frankfurt, amid a scandal over bribery and irregularities in the transport of nuclear waste. Interpol is also investigating.

Pretoria accused

Harare (Reuters) — Zimbabwe yesterday accused South Africa of involvement in the powerful car bomb blast which wrecked an African National Congress house on the outskirts of Bulawayo earlier this month, killing one person. Home Affairs Minister, Mr Mowen Mahachi, told Parliament that suspected saboteurs had links with Pretoria.

"Zimbabwe has become a prime target for hostile acts perpetrated by South Africa," Mr Mahachi said in the first public accusation by Zimbabwe of South African involvement. The ANC is banned in South Africa.

Kentucky — There is a delicious irony in the race for the Republican nomination. Senator Robert Dole's chances could depend on the rival with whom he has least in common doing surprisingly well.

As in effect the challenger to the sitting Vice President, Mr Dole needs to knock Mr George Bush out of his stride pretty quickly. But the feature of American politics at the moment is the strength of Mr Bush's position.

More than any other candidate, certainly more than any other Republican, he has the attributes that take a man to the White House: money, organization and luck.

He is not the only candidate to be well financed. So too is Governor Michael Dukakis for the Democrats. Senator Dole is not short of funds. But Mr Bush has the least reason to worry about money.

In organization he has a considerable advantage. Mr Dole is, it is true, a highly effective political operator in Washington. He can be an accomplished personal campaigner when he remembers to curb an acid wit. But the Dole organization is not working well.

There were high hopes when Mr Bill Brock, the former Secretary of Labour, became his campaign chairman. Mr Brock had earlier been a successful Republican national chairman and is an astute political tactician. But he may not be such a good organizer. Worst of all, there is a lack of cohesion between the Brock people and the Dole people.

A little while ago it seemed that none of this would matter. Mr Bush might have been swept aside by the Iran-Contra scandal. But the voters do not appear to be sufficiently interested now for that to do him serious damage.

This has been his first major piece of luck. The second came a week ago with the favourable American trade figures. Had they been depressing, the stock market might have crashed again, the dollar would have slumped and the air would have been heavy with economic gloom.

That would have been bad for the Republicans as a party and particularly damaging for Mr Bush as a candidate. As Mr Reagan's Vice President, he is especially vulnerable to anything that hurts the Administration. But after these trade figures it does not look as if the economy will be in trouble quickly enough to deny him the Republican nomination.

COMMENTARY

The most reasonable expectation now is that while he will be defeated in the Iowa caucuses on February 8 by Senator Dole, who comes from the neighbouring state of Kansas, Mr Bush will win the first primary in New Hampshire eight days later.

In that case, he could look forward to establishing a commanding lead on Super Tuesday, when 20 states, most of them from the south, hold their primaries on March 8.

If he does triumph then he could virtually wrap up the nomination in Illinois the following week. So it is critical for Mr Dole that Mr Bush's campaign should be undermined before the contest moves into the south.

That will not be done simply by defeating Mr Bush in Iowa. He would have to do much worse than expected. A poll in the *Des Moines Register* showing him running 15 points behind Mr Dole may paradoxically have done him a favour. That is almost certainly an exaggeration, so the actual result may well seem an anti-climax.

But there is another possibility, which is a gleam in the eye of the Dole team and a nagging anxiety in the Bush camp. What if the Rev Pat Robertson, the evangelist, were to push Mr Bush into third place in Iowa? That would certainly be an upset.

Mr Robertson stands no chance of the nomination. But it is just conceivable that he could do well in Iowa because his supporters need no encouragement to turn out, which is important in caucuses where so few people vote.

So Mr Dole, the political pragmatist of no known religious conviction, will be pinning his hopes on the man whose campaign has the flavour of a religious crusade.

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Argentina's angry military count the cost of democracy

From Christopher Thomas, Buenos Aires

Argentina's military is a shadow of its former self, with hardly enough money to train its conscripts, keep its Navy at sea, or by its fighters. It is angry, demoralized and humiliated.

There are 75,000 conscripts, half the number boasted at the time of the Falklands War in 1982. It is an Army without a role. Not even conflicts with neighbours are in the offing — the Beagle Channel dispute with Chile has been settled and there is a secure political relationship with Brazil.

Now the civilian Government is passing a new National Defence Law that specifically excludes the military from internal security operations and bars military intelligence from investigating politicians or political activists. The bill has passed the Lower House and awaits debate in the Senate.

The 5,000 officers, an elite class whose pay was always in line with the upper echelons of the judiciary, now complain of plunging living standards. Some have taken second jobs.

The armed forces are struggling to maintain interests in a range of manufacturing enterprises, most of which lose money and have to be sub-

sided out of a shrinking military budget.

They own factories making ammunition and weapons; they have a majority stake in shipyards; they have a controlling interest in a steel company and a petrochemical complex.

Then there are the perks to maintain — subsidized housing, schools, medical treatment and a non-contributory pension scheme that guarantees 50 per cent of salary at retirement.

The march of democracy in Latin America — 10 countries have returned to civilian rule since 1979 — has forced other countries to search for a role for the armed forces. But the dilemma is heightened in Argentina because of bitterness over the "disappeared persons". Nobody trusts an Army that persists in the belief that it is the ultimate arbiter of power in a crisis.

The armed forces held power for 21 of the 28 years before President Alfonsín took office in December 1983. The attempted uprising a week ago by Lieutenant-Colonel Aldo Rico was a direct reflection of frustration among the middle ranks. It was aimed at toppling the

military High Command, not the civilian Government, although it could have spread to that had it been successful.

There has always been fighting in the armed forces. The Army split in the 1920s and 1960s, rival factions shooting at each other on the streets. That happened again a week ago: the division now is between the generals and middle-ranking officers who want no more humiliations, no more lost wars, no more "Dirty War" trials and no more interference by a civilian government.

Officers such as Colonel Rico, aged 44, want a more professional Army with the emphasis on competence, better training, more spending in readiness for battle and less on ancillary interests, like military schools. Colonel Rico moved too fast, too soon, but he drew enough support to send a sharp message to the High Command.

President Alfonsín has slashed the military budget to about 2 per cent of the gross national product. Historically it was usually in the 7 per cent range. The military is no longer a Latin American giant. Chile and Brazil have much more powerful armed forces.

Belgian brushes up Van Gogh image

Amers-les-Oise, France (Renter) — The inn where Vincent Van Gogh killed himself is being saved from decay by a Belgian art lover, to become a place of pilgrimage for the painter's admirers.

Van Gogh spent the last 70 days of his tormented life in an attic room in the Amers-les-Oise, 25 miles north of Paris, and painted some of his most famous works there. The Dutch-born artist died on July 29, 1890, two days after he had shot himself in the stomach.

But the inn, which has been classified as a historic monument, is falling into disrepair. The restoration is the brainchild of Mr Dominique Charles Janssens, who gave up a career in international marketing to save the inn.

He has founded the non-profit-making Van Gogh Institute to run the project, and hopes to complete the restoration by 1990, the centenary of the artist's death, and to exhibit 15 of the canvases painted during the Amers period.

Mr Janssens paid the equivalent of about £250,000 for the inn, now surrounded in scaffolding and enveloped in green canvas to allow its damp structure to dry out.

He will spend five times as much on renovation.

No one in Amers remembers Van Gogh but in the southern town of Arles, where the painter was persecuted and briefly locked up as a public nuisance, France's oldest living woman, Mme Jeanne Calment, who sold him paint brushes, recalled him as a "bad character".



Portrait of the artist as a tormented man painted on the wall of the inn at Amers-les-Oise.

Secrecy as old order buries its 'master'

From Roger Boyes, Rome

A man with the rank of head of state was quietly buried in Rome yesterday, but few Romans noticed as the black-capped Knights of Malta grimly surrounded the coffin of their Grand Master.

The Sovereign Military Order of Malta, the ancient and secretive organization that tries to keep alive the chivalry of the 12th century Crusaders, is now searching for the first time in 30 years, for a new Grand Master. The late Grand Master, Fra Angelo de Mojana di Cologna, a Milanese lawyer, died on Sunday and the 10,000 members of the order — many of them aristocrats and leading lay Catholics — was plunged into confusion.

The order — its full name is the Sovereign Military Hospitaller Order of St John of Jerusalem of Rhodes and of Malta — was founded in the 12th century. It cared for the sick and provided hospitality for pilgrims to the Holy Land.

During the Crusades the order grew. It was the first Western standing army, one of the first charity organizations and, because of its powerful independence from state control, the first case of international sovereignty. The order controlled the island of Rhodes in the 14th century and in the 16th century controlled Malta.

Nowadays it is overwhelmingly engaged in charity work but is recognized as sovereign by more than 40 countries where it maintains embassies.

The order's Roman palace has received dozens of visiting statesmen, including most recently President Waldheim of Austria.

The electoral college of some 35 senior members of the order, drawn from throughout the world, will assemble in Rome and, rather like a Vatican conclave, will go into secret session. The only British representative on the college — and the Englishman with the best chance of winning — is a former schoolmaster from a Benedictine school.

Secrecy is important, but not — as in the case of Freemasons — crucial to the order. Still, no outsider was permitted to attend the funeral yesterday.

Prague face-lift as glasnost chips away at bleak legacy

From Richard Bassett, Prague

In a city of golden facades, scaffolding can provide some political footnotes. After nearly 20 years of embracing peeling stucco, the scaffolding which once disguised Prague's main square has suddenly vanished.

Next month sees the fortieth anniversary of Communist rule in Czechoslovakia. For Mr Gustav Husak, until last month the country's leader, 1988 would also have marked his twentieth year in power.

The man who took over after Warsaw Pact forces ended the "Prague Spring" in 1968 would have enjoyed a rare accolade among Czechoslovak politicians. Not even

the great inter-war statesman, Mr Thomas Masaryk, savoured office for 20 years. It would have been the climax of Mr Husak's difficult career.

He would have addressed his people in February from the Palais Kinsky — now shrimpy visible for the first time in decades — and said, pointing to the lovingly-restored facades around him: "Si monumentum requiris, circumspice" ("If you want to see my monument, look around you").

That this will no longer happen, as a result of December's transfer of power to the enigmatic Mr Milos Jakes, highlights the mystery surrounding recent events in Prague.

Over the past two years, as the pace of civic restoration in

Prague quickened towards this year's Communist anniversary, it has been assumed that Mr Husak would hang on to power for a little longer.

His relationship with the new powers at the Kremlin was not intimate but — as he no doubt argued — the Soviet Union was responsible for

installing him in 1968, and it could not humiliate him now without experiencing some unwelcome fall-out itself.

The choice of successor, while depriving Mr Husak of a grand finale, nevertheless skillfully avoided humiliating him.

Mr Jakes, whose largely-

unknown personality has so far been treated with traditional indifference by most Czechoslovaks, is clearly willing to please Moscow.

Last year, his visits there provoked speculation that he was the Kremlin's man. But he also personifies, for the more than half a million

Czechoslovaks who were expelled from the party in 1968, the apparatus of the purge. He is not the shining new face of glasnost, and it was significant that during his first visit as leader to Moscow, last December, Mr Gorbachev did not treat him to any references to the events of 1968.

Perestroika demands that things change in Czechoslovakia, but the pace of change is limited by the absence of any experienced younger politicians.

The transition will be a long business. The men who rule Czechoslovakia have been inextricably bound up with each other for 20 years. To discredit one is to discredit them all.

Already, however, small things are changing. The daily

paper *Rude Pravo*, the once-indigestible mouthpiece of the party, has begun to highlight in critical terms certain leisure activities of government members.

In addition to these flights into investigative journalism, the paper talks of the need for more democracy.

The police, dissidents note, are behaving with more restraint at human rights meetings. Western-style news conferences with Ministers are promised for the near future. Friendlier bureaucrats have also been encountered.

Despite the widespread cynicism, there are hints of optimism: dismantling the bleak legacy of 1968 may well take less time than the removal of Prague's oldest scaffolding.

Church presses for more freedom

Prague (AP) — More than 50,000 Czechoslovaks have signed a 31-point petition urging the Government to allow more religious freedom and to separate church and state, a church official said yesterday.

The document, seen by some observers as the most outspoken action by believers since the Communist takeover in 1948, demands the appointment of bishops in the 10 sees out of 13 that are vacant, more priests and religious education. It won unprecedented backing

earlier this month from Cardinal Frantisek Tomasek, aged 88, the country's primate.

He told the faithful in an open letter that they had a moral duty to tell the authorities their views. He said that the petition, reportedly begun by believers in Moravia last month, represented how the problems of the Church could be solved. The petition coincides with renewed negotiations between the Vatican and Czechoslovak authorities on naming bishops to fill vacant sees.

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25 years of Paris-Bonn co-operation

France strives for meeting of minds with neighbours

From Philip Jacobson, Paris

There will be two extra seats at the back of the class when the top form at the Lycée Henri IV in Paris begins its German lesson this afternoon.

In a symbolic break with the more ceremonial side of the 25th anniversary celebrations of the Elysée treaty on Franco-German co-operation, President Mitterrand of France and Chancellor Kohl of West Germany consider it of great importance to put in an approving appearance as a new generation of French school-leavers prepares for a new relationship between their two nations.

A good many of the students they see today expect to end up with senior jobs in French Government and industry. They will be in the front line of the "harmonization" of French and West German policies at every level which the President believes is utterly crucial to the future of Western Europe.

In pursuit of this vision, alongside the more concrete examples of co-operation to be signed and sealed in Paris —

from joint army brigades and weapons development to cultural centres and think tanks — the French are being urged, as never before, to get to know their West German neighbours better.

From the deluge of official statistics released to mark this seminal anniversary, one learns that five million young people have taken part in exchange visits; well over 1,000 towns are now twinned; and about 10 per cent of all French students now opt for German as their first foreign language.

All this represents a solid and encouraging achievement. The Franco-German treaty specifically acknowledged that educating the youth was crucial to overcoming the barriers of a bloodstained past. As a neighbour's son observes: "My father and his father fought against the *boche*, and naturally that shaped their view of all Germans. The first I ever met were playing soccer against our school team."

But if perceptions have

changed for the better, the French, as a nation, remain curiously obsessed with what those Germans are up to. Are they getting richer faster, do they drive flashier cars, take longer holidays, produce superior sports stars?

Since the answer is "yes" rather too often for French comfort, such *snobism* — contemplation of the navel — makes for a profoundly ambivalent relationship. This goes some way to explaining why people speaking German, possibly a little too loudly on the *Métro* or in a country *auberge*, can still attract dirty looks.

The other side of the 25th anniversary statistics shows that, while 850 books were translated from French into German last year, barely 200 crossed the language barrier the other way. In contrast to the 70 West German journalists permanently based in Bonn, there are about 20 French correspondents in Bonn. While vast numbers of German tourists flock to France every year, only a

modest trickle heads the opposite way.

Whether any of this will matter terribly over the next 25 years, provided that Paris and Bonn continue to expand and improve official links, is genuinely difficult to judge.

Not long after the Elysée agreement was concluded, General de Gaulle was deeply aggrieved when the Germans added their own preamble noting that the trans-Atlantic relationship would remain unaffected. "Treaties are like roses and young women," the great man observed frostily. "In the end, they must both fade away."

The General has long since gone the way of all roses, but his Foreign Minister at the time, M Maurice Couve de Murville, is still around. Looking back at the document he signed a quarter of a century ago, he recalled how intense and widespread opposition to the treaty had once been in France. "I never dreamed that we would be celebrating it with such enthusiasm today."

Lure of the East strains links

From Richard Owen, Bonn

The West Germans do not on the whole go in for grandiose symbolism, for obvious historical reasons.

The monument in Bonn to Konrad Adenauer, the great postwar Chancellor and architect of reconciliation with France, is easily missed. It is a modest stone bust set in the pavement near the office of the present Chancellor, Herr Helmut Kohl, and does not even boast a pedestal.

Nonetheless, today's ceremony at the Elysée Palace has enormous symbolic importance for Bonn, and for ordinary Germans. Far from taking Adenauer's achievement for granted, most see it as the cornerstone of West Germany's acceptance into the Western "family of nations" and of Bonn's part in the unification of Europe — phrases used far less sceptically in Bonn than in London.

Agonizing over the ugly scars left by German behaviour in two world wars, above all the appalling legacy of Nazism, West Germans have seized on reconciliation with France, formation of the EEC and their membership of Nato as the framework within which Germans could begin to reassert their national identity.

As M Mitterrand noted in *Die Welt* this week, it was M Giscard d'Estaing and Herr Helmut Schmidt who founded the

European Monetary System. To a degree, the Franco-German axis remains at the heart of the EEC.

Yet despite the rhetoric and symbolism, Germans do not feel especially close to the French even now. Herr Kohl, by origin a provincial politician, speaks very little French, and there are relatively few French students at West German universities. The West Germans are increasingly casting glances to the East — to the consternation of their Western allies — on the assumption that because they are "firmly anchored" in the West they can rediscover kinship with East Germany. Reconciliation with "the other Germans" has more emotional pull than dutiful friendship with France.

Bonn is aware that this arouses old anxieties about Germany, not least in France. Hence the need for repeated gestures such as Herr Kohl and M Mitterrand holding hands at Verdun on the 40th anniversary of VE-Day. Hence also the warm welcome in Bonn for M Mitterrand's speech at Aachen last year, when — in the setting of Charlemagne's throne room — he acknowledged West German concerns about French short-range missiles, which could only hit Germany if used in an East-West conflict.

Hence above all the Franco-German

military brigade as the kernel of European defence, drawing France into the forward defence of West Germany. The Brigade of 4,200, under alternate French and German command, will be at Böblingen near Stuttgart. Joint exercises have been held already in Bavaria.

But influential voices in Bonn are pushing West Germany toward less amenable and more nationalist attitudes in matters of fiscal policy, interest rates and farm subsidies to defence, where Bonn wants a reduction in Nato's short-range missiles left on West German soil after the INF Treaty.

All this has left Bonn trying to reassure its allies, and France above all, that just because West Germany feels it has "paid its dues to history" and can now reassert itself, this does not mean it intends to reunite with East Germany in a "neutral" alliance and revive German domination of Europe.

As Herr Hans Dietrich Genscher, the Foreign Minister, remarked this week at the European Parliament in Strasbourg — a city which itself symbolizes the resolution of former Franco-German enmity — the Paris-Bonn Treaty is proof of "the desire of both to work for European unity and thus strengthen the European pillar of the Atlantic Alliance."

Flying Briton sets a record



Mr Brian Milton stretching in his cramped microlight aircraft after landing in Darwin, Australia, yesterday at the end of his record-making flight from London. Taking 36 flying days and a series of near-tragic mishaps, the British pilot became the second person to complete the 11,000-mile trip. The inaugural record holder, Eve Jackson, also a Briton, took a more sedate 15 months.

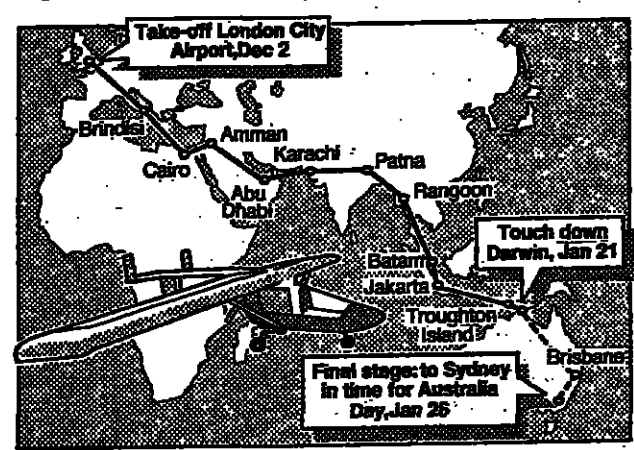
Mr Milton arrived yesterday from Troughton Island, off the far north coast of Western Australia, after a nine-hour flight on Wednesday from the Indonesian island of Timor. "Lackluster I wasn't dogged by the sort of problems I had elsewhere," he said.

In Greece, strong winds on landing flipped his aircraft and in Jordan he was forced to make an emergency landing on

a road. In Malaysia he brought the aircraft down in a paddyfield and, most frighteningly, he said, he was forced to ditch in the Gulf on a day when two tankers were hit by missiles.

In an interview he said he hoped to reach Sydney by

Tuesday, the 200th anniversary of European settlement of Australia. But he added: "The odds are against me making it." Sydney is 1,980 miles away, and his plane, Dalgaty Flyer, can carry only nine hours of fuel and fly at a maximum of 95 miles an hour.



Climbers killed in New Zealand

Wellington (Reuters) — Two Britons have been killed in separate mountain accidents on New Zealand's South Island, police said yesterday.

Rescuers abandoned a search for three climbers, two Americans and a Briton, missing on Mount Cook since last Sunday. The Briton was named as Mr David Harvey Jarrett, aged 31, who lived in Sydney. Another Briton, Mr Alan John Cadwallader, aged 37, from Sutton Coldfield, drowned on a mountain safety course.

Tibetans free

Peking (Reuters) — The Chinese authorities in Tibet released 59 people detained during riots in Lhasa last September to reduce tension ahead of next month's main Tibetan religious festival.

\$22m lawsuit

Los Angeles (AP) — Mr Fadel Norman Fadel, aged 56, of Florida, and his wife, Farhin, aged 54, who were acquitted in 1985 of conspiring to export missiles to Iran, are suing the FBI for about \$22 million.

Miners battle

Johannesburg (AP) — Four black gold miners were killed and 67 injured in a tribal faction fight involving more than 500 men at Randfontein Estates mine, near here.

Film row over

Rome (Reuters) — Italian director, Bernardo Bertolucci, said Japanese distributors of his film *The Last Emperor* restored sequences on the 1937 "Rape of Nanking" after protests by China and himself.

Crash verdict

Peking (Reuters) — The authorities blamed mechanical failure for the crash of a Ljushin 18 airliner in south-west China on Monday which killed all 108 people on board.

Soviet launch

Moscow (Reuters) — The Soviet Union launched an unmanned Progress-34 space ship on a supply mission to its orbiting space station Mir.

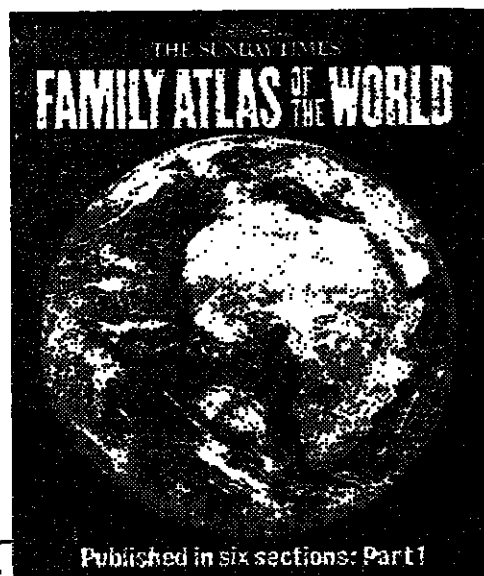
Poles vault

Warsaw (Reuters) — Polish students from Szczecin plan to leapfrog to London after setting a world record last year of more than 625 miles.

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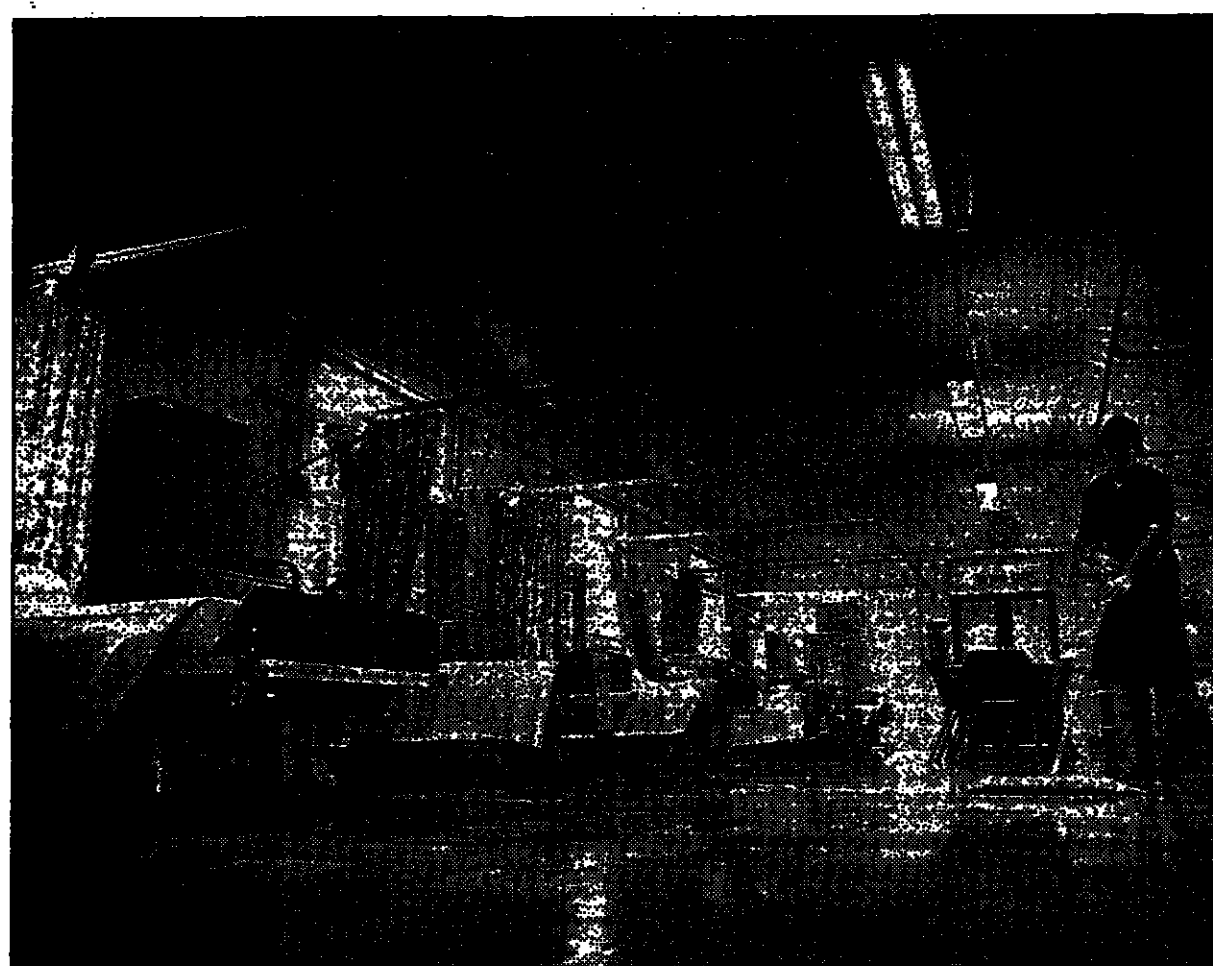
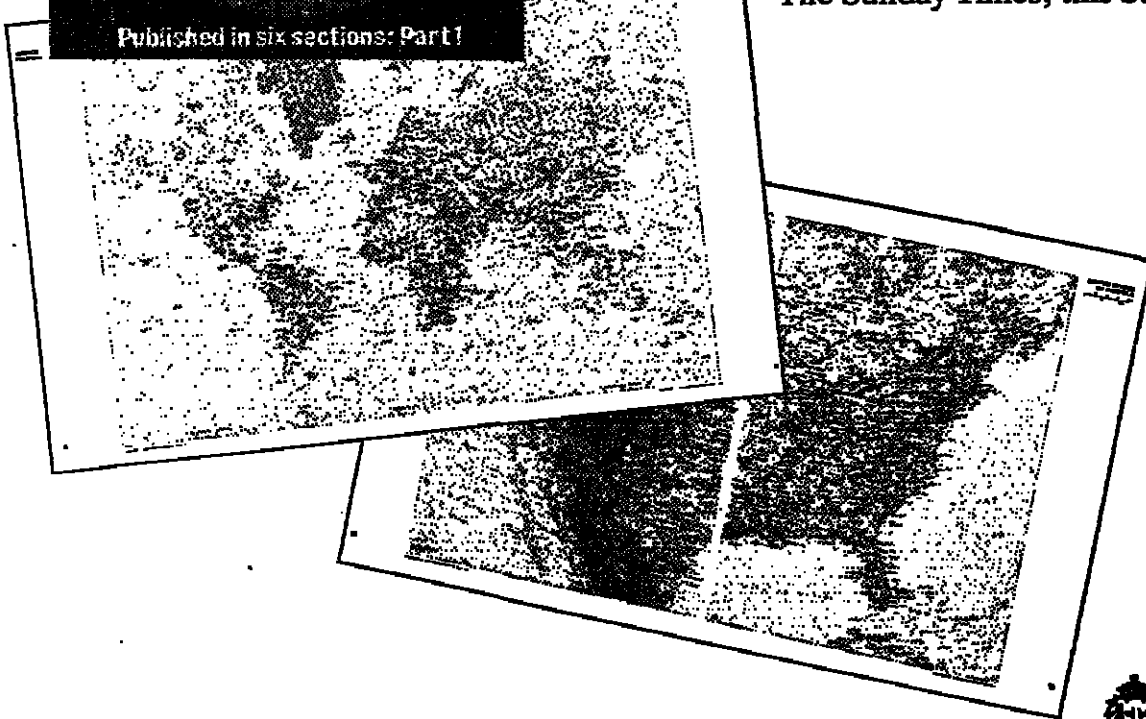
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السؤال الأول

North Korea war threat to South raises Games fear

From David Watts, Tokyo

North Korea yesterday warned the South that it would "have no choice but to make a war" if the two halves of the divided country did not solve pending problems — introducing a chilling new dimension to the prospects for this year's Olympic Games.

The sudden increase in tension on the peninsula, one of the world's most heavily-armed flashpoints with 1.3 million troops, came in the Communist Party newspaper, *Rodongja Shinmun*, as the Pyongyang regime found itself entering a new phase of isolation. The United States this week categorised the North as a sponsor of terrorism, following the destruction of the South Korean airliner over the Andaman Sea in November.

Washington's introduction of a series of measures

London — Britain formally accepted yesterday that North Korea destroyed the South Korean plane which blew up last autumn. The Foreign Office said it concurred with the conclusion reached by the Seoul Government, which placed the blame on the Communist regime in Pyongyang. A statement added that the Government expressed its "horror and condemnation at this shocking act of state-sponsored terrorism". The UK has no diplomatic relations and few other ties with North Korea, a spokesman said.

eliminating informal diplomatic contacts with Pyongyang reversed a period of quietly improving relations initiated last year, not least in the hope of mitigating tensions about the row between North and South over the hosting of the Olympics.

The deadline for the final list of Olympic entrants, passed last Sunday with a record 116 nations participating, including China and the Soviet Union, North Korea's two contiguous allies, but without agreement on Pyongyang hosting any of the events.

That landmark was reached shortly after South Korea's contention in a filmed press conference that a female North Korean agent, Miss Kim Hyon Hui, had planted a bomb in Bahrain on board the Korean Air Lines Boeing 707 that subsequently exploded with the loss of 115 lives.

Letter from Athens

Greeks muse on Byron's legacy

At a time when contemporary Greek historians tend to dismiss 19th century philhellenists as self-seeking adventurers, if not plain spies, Lord Byron who was born 200 years ago today and "died for Greece" at Missolonghi 36 years later, is hailed as a national hero.

Thousands of Greeks are christened Vyron, the Greek version of Byron. At least 23 streets of Athens bear his name today. The suburb of Vyron was so named, its Mayor, Mr Dimitrios Nikolaidis asserts, because the Greek refugees from Asia Minor who settled there in 1924 wanted to honour Byron "for sacrificing himself for the independence of Greece".

In Missolonghi itself where Byron lived for three months before his death, probably of pneumonia combined with medical malpractice, the expression "handsome like Byron" is still common. Some of his personal belongings are cherished in the local Museum of the Revolution. The poet's heart is said to be buried beneath his statue erected in 1881.

Friday Page 17

Byron's impact on the enslaved Greeks must have been tremendous. Here was a handsome and rich nobleman and poet sent by heaven to rescue them.

Yet today the average Greek knows little about this eccentric Englishman with the turbulent personal life, whose poetry captured the imagination of Europe and rallied support for the Greek struggle.

"All I know," a girl student in Athens said, "is that Byron fought and died in the War of Independence, that he fell in love with an Athenian lady, and that he was a queer."

The truth is that although Greek poets, including the national bard, Solomos, wrote odes on Byron's death, there are no books in Greek about his life (except for a short treatise by S.C. Atchley published in 1918), nor complete translations of his poems. Excerpts, however, are available from *Childe Harold's Pilgrimage* or from *The Curse of Minerva* condemning Lord Elgin for the pillage of the

Mario Modiano

Philippines Defence Minister quits after power struggle

Triumphant Ramos strides into political arena

From Humphrey Hawksley, Manila

The Philippine military Chief of Staff, General Fidel Ramos, yesterday took over as Defence Minister in a move which makes him one of the most powerful political figures in the country, prompting speculation that he had an eye on the 1992 presidential race.

His appointment came after the sudden resignation of General Rafael Iletto. He stepped down after a long power struggle between the two men over control of the defence forces.

For several months, General Iletto, aged 67, has been criticizing the armed forces' leadership, with accusations that it had failed to mould its troops into an effective fighting force against the Communist insurgency.

In his letter of resignation to President Aquino, he said bluntly that the reorganization of the military had not proceeded as he had envisioned. "I fear that divisive elements and controversial issues within the military, if not checked promptly, will erode whatever gains we have achieved since February, 1986 (when Mrs Aquino came to power)."

But at a news conference, General Iletto hinted that he may have pre-empted his dismissal, saying "The military is so factionalized now, I don't want to rock the boat. There were hints... from the President."

There was speculation last

night that the issues go far deeper than professional disagreement between the two soldiers. Observers say that General Ramos may have decided to move into the political arena because of presidential aspirations, and that his appointment was expected, although the timing came as a surprise.

General Ramos, aged 59 and a graduate of the West Point military academy in the United States, has long been considered more an astute politician than a military leader. His recent rise to power started two years ago when he defected from former President Marcos to back the military revolt which brought Mrs Aquino to office.

Despite persistent criticism of his leadership qualities, General Ramos has subsequently seen off the Defence Minister under Mr Marcos, Senator Juan Ponce Enrile — who masterminded that revolt — and has broken up a sophisticated ring of young officers involved in a number of attempts to topple the Aquino Government, including the bloody coup in August last year.

His successor as military Chief of Staff, General Renato de Villa, is firmly in the Ramos camp, indicating that the new Defence Minister has consolidated his control over the military and is now looking for substantial influence within the Government itself.



General Iletto, left, announcing his surprise resignation as Defence Minister yesterday in Manila and General Ramos, right, who bolstered his position by being named the successor.

One Government official said: "General de Villa and General Ramos make a formidable pair. Between them they have the country sewn up." In a television broadcast, President Aquino made clear her respect for the outgoing General Iletto, also a product of West Point and a strong critic of Mr Marcos during the martial-law years in the 1970s.

As a young officer, General Iletto earned credit for his role in the defeat of a communist insurgency in the 1950s, and had been pushing for the decentralization of the armed forces. He also wanted more direct encounters with communist rebels.

Mrs Aquino praised General Iletto for setting a direction of "genuine professionalism" in the military. She said that she accepted his resignation with "much reluctance".

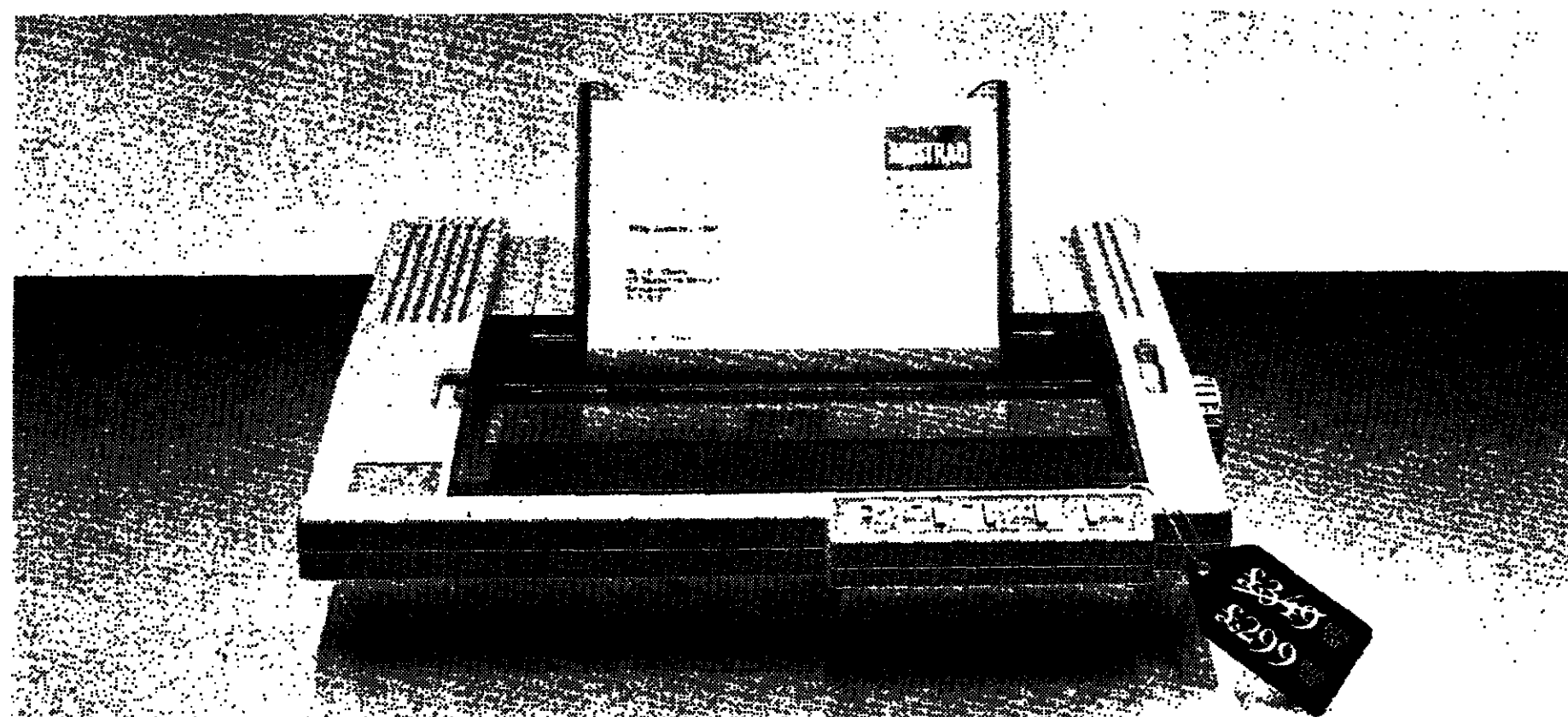
as curbing military rebellions, has backed her through several Cabinet crises and has repeatedly said that the Philippines should be ruled by a civilian, and not military, authority.

The announcements came only two months before a mass retirement of more than 40 senior generals in April. Military analysts said that the appointment of General Ramos now would give the Government time to plan changes in the military which would be partly aimed at defusing the criticism of younger, restless officers.

An official from the banned National Democratic Front, the political wing of the New People's Army, said the appointment of General Ramos was another sign that the Government was moving further to the right.

● **Maids curb:** The Government is to ban Filipino women from working overseas as maids because of what it says is widespread exploitation (Our Correspondent writes from Manila).

Officials say the decision was made after reports of abuses of Filipino maids in some Middle Eastern countries. In one report three maids were made pregnant by their employers, but were refused access to hospital. At least three countries, Brunei, Malaysia, and the United Arab Emirates, are believed to be ready to sign bilateral agreements protecting maids.



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Mystery behind the masterpiece

In September this huge canvas was sold for \$30,000. If it is a Tiepolo, as some experts believe, it could be worth as much as £10 million. But where did it come from, and why was it entrusted to an Australian priest? Sarah Jane Checkland reports on an intriguing art riddle

After an art world adventure that has everything — encounters with priests and counts and courtroom drama — a London businessman may be on the verge of making as much as £10 million on what could be a lost painting by the major 18th-century artist Giambattista Tiepolo. The huge soaring painting which once decorated the ceiling of an Italian palace — a full 15 feet across — is an allegory of Virtue and Nobility, with Fame above, putting Ignorance to Flight.

For the owner, Bob Atkins, a homely Yorkshireman, proving the work's authenticity has been an exercise in expelling ignorance without any assistance. He says he was given short shrift by the auction houses when he first approached them last autumn. "They all asked the same question: how can you have a Tiepolo?" It was not until he enlisted the help of the leading Tiepolo expert that Sotheby's, Christie's and Phillips began to take him seriously. This week all three have expressed interest in selling it.

Yesterday, John Somerville, from the Old Masters department at Sotheby's, said: "It is potentially a rather exciting painting but it has got some condition problems. There are lots of repaints and rubbings. In theory, the painting is the best by Tiepolo ever to come on the market."

The story of how Bob Atkins became the owner of the painting resembles the parable of the Good Samar-

itan. A Catholic, he has long been a friend of Father Brian O'Dwyer, the former chaplain at the St John of God hospital in Sydney, Australia. Last spring, when O'Dwyer was depressed at the closure of the hospital and the loss of his job, Atkins sent him the airfare for a holiday in this country. "We looked after him like a king for a month. I didn't expect anything in return."

But O'Dwyer informed his host that he wanted to give him a painting. Atkins protested: "He told me it was rather large, and my heart sank. He said it would cost me US\$30,000 (£16,600) and my heart sank further. He said it was a Tiepolo. I said 'A what? A Tadpole?'"

O'Dwyer recounts the occasion in a sworn statement in which he confirmed the transfer of his option on the painting. "I told him that there was no point arguing."

O'Dwyer will not say how he came across the option to buy the painting. In the statement he says that "the essential terms were that I was able to purchase the said painting entitled 'Wisdom and Fortitude' for the sum of \$30,000".

According to Atkins, O'Dwyer came upon the painting while visiting Florence some years ago. After he had taken Mass at the Church of All Saints, he met a young American monk and sculptor student, Brother Jerome (Cox), who was trying to sell the painting on behalf of Professor Mario Bucci, one of his teachers at the Catholic graduate school in Florence. Brother Jerome introduced



O'Dwyer to Bucci and they told him how Bucci had bought the painting at the Gallerie Pandolfi, an auction house in Florence, in 1975. They said they believed it was a Tiepolo.

After the auction, Bucci had taken the painting to the official restoration institute in Florence for cleaning and relining. There, after some work was completed, Bucci was told it was clearly an important 18th-century painting, and that they should take it abroad before it became the subject of an export embargo.

In June 1976, Bucci had the painting exported by ship, in a huge roll of wood, to America. But he had no luck selling it.

Speaking last night from his parents' home in Minneapolis, Brother Jerome said: "Professor Bucci and I believed it was a Tiepolo, but it hadn't sold for various reasons, and Father O'Dwyer thought he could sell it through friends." The reason, he said, Bucci did not want to proceed with selling the painting was that "to do something like that you need the financial means. We both had full-time jobs. Frankly, I didn't have the time. It's an expensive operation."

And so O'Dwyer took on the option to sell the painting, transporting it to Australia. After failing to interest museums there, O'Dwyer contacted a friend, the British insurance

Virtuoso performance: the ceiling painting in its full 15-foot glory (right) showing, at the bottom, the vanquished figure of Ignorance, covering her face as she falls, while at the top is Fame with her trumpet. The centrepiece of this swirling composition is filled by Virtue and Nobility (detail, above) perched on their clouds.

The story of its acquisition and journey from Italy to Britain is almost as allegorical

magnate and horse owner Charles St George. He, in turn, contacted his distant cousin the Baroness Nicholas de Piro, who lives at Painswick House, Gloucestershire, and asked whether he could store it there. The painting hangs today in Painswick's dining room.

The transfer of the priest's option to Atkins was on September 11, and it was sold on September 14 last year. In October Atkins contacted Professor George Knox of the University of British Columbia and author of a number of books on Tiepolo. He came across soon after. By Decem-

ber 10, Knox had finished his report.

"This report is written in the form of a defence of the hypothesis that the ceiling painting currently hanging in Painswick House, Gloucestershire is the original ceiling painted by Giambattista Tiepolo between 1742 and 1750 for the Palazzo Caisselli in Udine," is how Knox states his purpose.

The report begins by introducing the Caisselli, an eminent Udinese family, renowned for their patronage of artists, including Tiepolo. The palace in the city for which they commissioned Virtue

and Nobility still stands — now the property of the University of Udine — and the relevant room is intact.

The painting was first mentioned in monographs on the artist in 1909 and 1910, and soon afterwards Count Franco Caisselli was notified officially that the picture was of importance and subject to the heritage law. He then began negotiating its sale, sending the picture in 1923 to a dealer called Balboni for restoration and sale.

From now on the story becomes complicated, but with one continuous theme running through it — persistence on the part of the count in trying to export the painting. According to the records, first of all, a copy of the work was made by a painter called Marzio Moro, and the painting was taken to Milan for sale. The tale continues with Balboni constantly being refused export permission, with the order that the painting be placed either in storage or back in its original setting.

In one version of the story, the painting was sent along with another canvas to Rome, and the inferior painting offered as a gift to Mussolini, in the hope of persuading him to rubber-stamp the export. Eventually, in 1929, the count was caught in the act of inducing the customs men at Udine to authorize the export of a "roll of cloth". This turned

out to contain an "old picture", which was identified as the ceiling painting. The count was tried for attempting to export it illegally.

Defending himself, Caisselli claimed there had never been an "original Tiepolo" in his house, but a copy of a picture in one of the Venetian palaces. The canvas in question was one of several copies he had commissioned. No one believed him and he was fined heavily. That canvas became state property, passing in 1935 to the Civic Museum in Udine where it hangs today.

Professor Knox said yesterday: "If the painting at Painswick is the original, all that happened was that the count did try and export the copy, so when this was discovered, it was the copy that was confiscated. He was so busy playing both sides against the middle, no one believed him. They were obviously very anxious to nail him."

The other canvas, deemed not original at the trial, is, according to Professor Knox, "beyond any reasonable doubt the picture at Painswick". Nothing more is heard about it, until it appeared at auction in 1975 at the Gallerie Pandolfi in Florence. Catalogued as "Scuola Veneziana del sec. XVIII — scene mitologica", it fetched 15 million lire (£6,750).

The case for the Atkins painting goes like this:

● As Professor Knox says in his report, "all the restorers and technically qualified persons who have examined the picture so far have agreed upon an 18th-century dating. None have hinted that it might be a copy".

● It is the correct shape to fit the space in the palace ceiling, whereas the one claimed by the Italians to be the original in Udine is not.

● The Udine painting was not included in two major Tiepolo exhibitions in the Veneto since 1935.

But the case against it is this:

● The 1929 trial gave ample opportunity for the two paintings, both original and copy, to be compared side by side, and for this reason, according to Professor Knox, "the Udine picture has the very strongest claims to be regarded as the original".

● The painting's condition makes it difficult to appraise.

● Why should Bucci, an expert, sell an "original" so cheaply?

There is even room for the theory that both paintings are authentic. The Caisselli built two near-identical palaces. As the grand halls for both palaces are decoratively similar, it is possible the Caissellis commissioned two similar paintings.

Last week, Atkins travelled to Florence where he obtained a signed statement from a restorer at the Institute in Florence that the painting they worked on in 1975 after the auction was genuine 18th-century. Now he is waiting for further developments, including a report from the museum in Udine on the condition of its painting — whether it is genuine or not, and a copy of the 1975 restoration notes from Florence.

Whatever the outcome, the words in Knox's summary resound: "It is much more brilliantly painted than the Udine canvas, painted, one may say, at white heat, possibly in two or three days. Thus, if it is a Moro then Moro was painting with a speed and virtuosity which even Tiepolo rarely attained."

Now, the art world is faced with one of its most exciting prospects in years. It is believed to be the first major Tiepolo to come on the market since Christie's sold the ceiling painting "Allegory of Venus entrusting Eros to Kronos" for £409,500, in 1969. If it is a true Tiepolo, the matter will cause considerable embarrassment to the Italians.

Meanwhile, Atkins is out of pocket, having spent £100,000. When the painting is sold, he plans to "treat myself with a car or something" — and, as Father O'Dwyer wanted, part of the proceeds towards "some good works for Our Lady".

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Ministry for feeling good

Self love is something they feel strongly
about in California — so strongly that
now they have set up a special task force

They have been spoofed coast-to-coast by cartoonist Gary Trudeau in his Doonsbury comic strip; they have been dubbed "California's latest fruit and nuts", they have just been allocated \$245,000 of the state's record \$44 billion budget, and they are spreading their message all over the state of California and beyond. They are the California Task Force to Promote Self Esteem, and the last laugh may yet be theirs.

The Task Force was created a year ago by California Assemblyman John Vasconcellos and almost immediately the ribbing began. It was not difficult to see why. The first meeting of the 25-strong body began with a woman discussing her book *Gourmet Parenting*, another author talked of his self-help programme called "How to be successful in less than 10 minutes a day", and the group's chairman, the spy-named anthropologist Andrew Mecca, discussed his

"dream walking" experiences with the Aborigines.

Talk show hosts and night club comedians had a field day. The home of hot tubs, jazz exercise and Shirley MacLaine's "spiritual awakening" was at it again. But then strange things began to happen. First, there were more than 350 applicants for the 25 places on the board, the largest number ever to apply for such a body in the history of the state. Then, says Mecca, the floodgates opened.

"We started getting inquiries about setting up similar bodies from all over the world. The Secretary of Education in Spain contacted us as well as the Minister of Health of the Ivory Coast. The Japanese want to host a world

conference on self esteem for us in 1989."

In California, the most populous state in the nation with 25 million residents, nearly half the 58 counties have begun to set up their own committees on self esteem. The pursuit of what the Californians call "feeling good about yourself" is the flavour of the moment.

"What started as a huge joke," Mecca says, "has become an international subject for serious study. I have spoken to more than 40,000 people on the subject in just one year. Even the most hardened cynics are being won over. Despite the parodies, it's almost like we're the beginning of a new millennium."

Later this year the Task

Force will publish what they call a watershed book about low self esteem and its impact on society. "Virtually every major social problem we have," notes Mecca, "can be traced to people's lack of self love: alcohol and drug abuse, teenage pregnancy, crime, child abuse, chronic welfare dependency and poor educational performance."

In June, eight professors at the University of California will each write a chapter for the Task Force's first book. For Vasconcellos, who waged a three-year battle against some of his colleagues' scorn to create the force, vindication is at hand. "This was really a grass roots effort," he says. "I think we've uncorked something here that has been ripening in the way that fine wine does."

And like many Californian ventures, it all goes particularly well with a hot tub.

Ivor Davis

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FINDINGS

A weekly series on research

An early depiction of childbirth has been found on a figurine excavated in Cyprus (left). Dating from 3000 BC, the 10-inch pottery model was found in a ritual deposit

with 18 other figures in a model of a house or temple decorated with exuberant designs. The mother, depicted as a cylindrical body topped by a face and with arms and legs sticking out, was sitting on a four-legged stool. A clay flange projecting between her legs is painted with an oval and two lines, which Dr Edgar Peltenburg, of Edinburgh University, the excavator, interprets as the head and arms of the emerging infant. The scene provides the first

firm evidence that such figurines are part of a fertility cult, and of a formal religion with shrines. Norman Hammond

METEOROLOGY

Early temperature measurements are vital to understanding how the climate has changed in the last few centuries. An analysis has been prepared of the records maintained by Jacopo Bartolomeo Beccari, a physician in Bologna, between 1716 and his death in 1766. Such early records are rare south of the Alps. In line with observations at the same time in England and Holland, they show that the 1720s and 1730s were warm; then there was a sudden

cooling in 1740 followed by a slow warming trend until the 1760s. W.J. Burroughs

EGYPTOLOGY

The ancient Egyptians designed the first crosswords; now it seems they applied the same principles to their architecture. Near Coptos in Upper Egypt a French team, led by Claude Traunecker, has recovered a small temple which did double duty for two families of gods. Other twin temples are of the semi-detached type, with two front doors and a series of chambers for each god. This arrangement runs crosswise, with the two axes running at right angles and sharing a central offering

room. Its cause is a mystery. Poverty is unlikely; perhaps tradition declared that the two gods were orientated in different directions; or perhaps two high priests were not speaking? John Ray

OLFACTION

Veniamin Krasnov, a Russian inventor, has patented the odorophone, a device designed to keep drivers awake during long night runs. Shaped like a small rocket, it has several nozzles, each connected to a capsule filled with aromatic substances which are released into the vehicle by compressed air. The odorophone has been successfully tested by engine drivers on the Far Eastern line, who say the smells of mints, liquid ammonia and roasted coffee keep them awake. It may now be adapted to factories, offices and lecture halls. Andrew Wharmham

SATURDAY



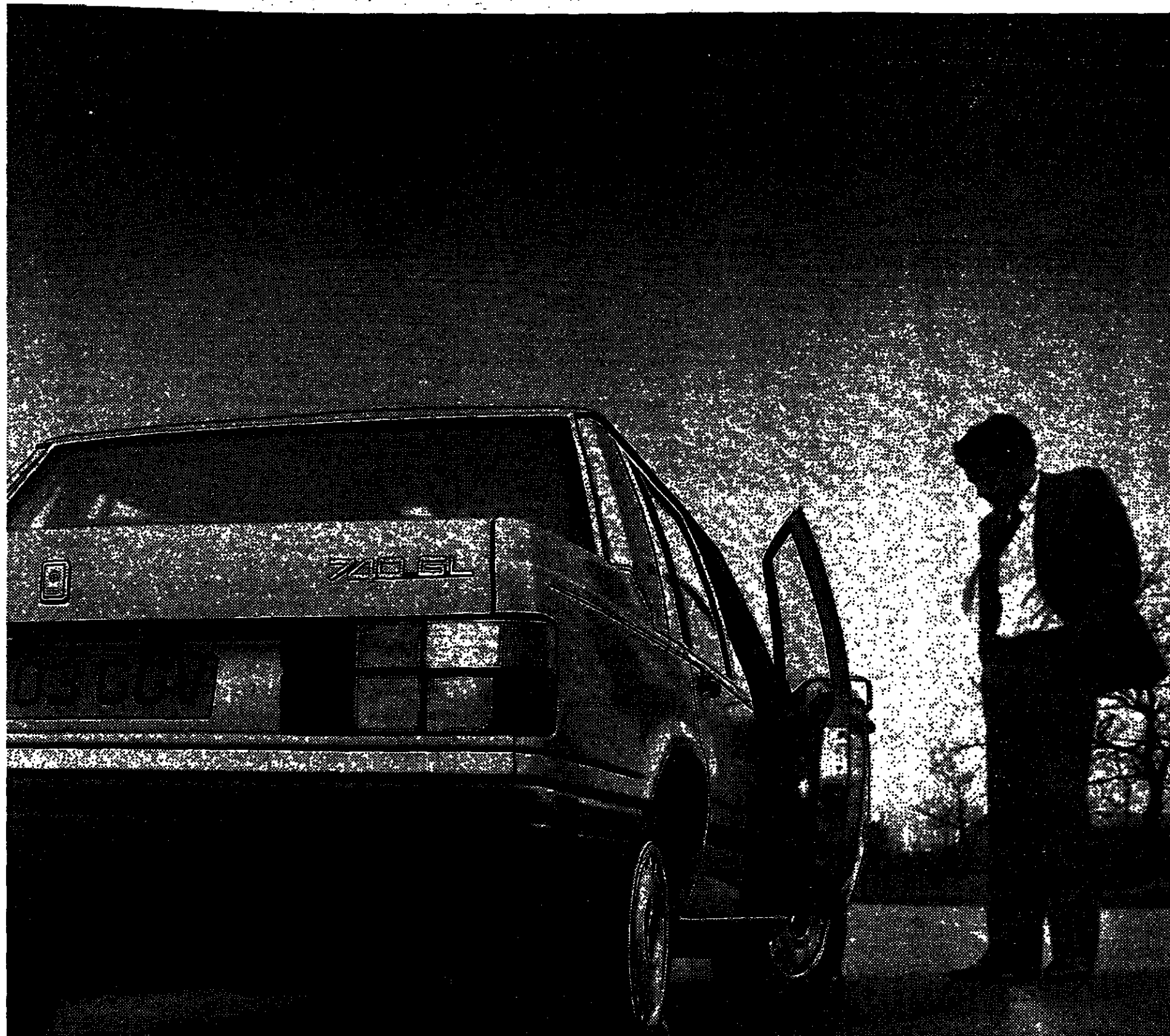
The Grand Tour: Lord Chesterfield spent it on "gallantry and gaming", Boswell said "Hearts of Oak" to the Corsican peasantry. Today's Grand Tourists are likely to be working their passages — but they travel far further. Pearson Phillips meets them in *The Times* tomorrow

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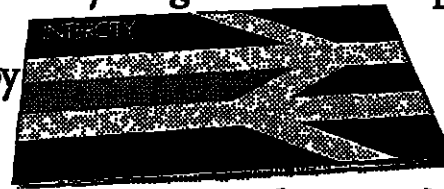
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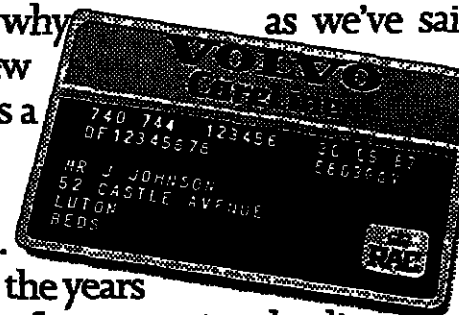
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Hancock's finest hour

A plan for Her Majesty's Inspectors of Education to perform at the Ideal Home Exhibition in March is running deeper into trouble. I hear that the DES's Permanent Secretary, Sir David Hancock, has now been told that he will be expected to do a turn on the stand extolling the merits of the Education Reform Bill, aka Gorbil. He will go there knowing that the HMIs have no intention of joining him and that the NUT is preparing a picket. Kenneth Baker, the Education Secretary, wanted the inspectors there to talk directly to parents. The problem is that the Bill is not law and by convention civil servants do not publicly advocate policies yet to be passed by Parliament. Nor are HMIs the types to enjoy handing out leaflets to trippers. Their union, the DES branch of the First Division Association, wants nothing to do with the wheeze and has won its executive's backing on the issue.

Cut to the quick

All is not tranquil in the gardens of England, according to bitter rivals *Country Life* and *Landscape* magazines, where rancour has descended to the personal. In the latest issue of *Landscape* Nigel Holman says he finds it "incomprehensible" that Christopher Lloyd, *Country Life's* horticultural guru, admitted in a November issue to having once suffered from the Sweet Disease — taking cuttings from other people's gardens. "Let me say," Lloyd had written, "before others say it for me, that this was disgraceful behaviour. I've taken nothing without permission these 30 years. I promise." Holman says Lloyd's lack of a sense of guilt could help make the disease pernicious and taking cuttings without permission encouraged the taking of plants. He suggests that, in the interests of friendliness, gardeners make varieties available for purchase by the general public.

Labour MP Austin Mitchell tells me he is considering reporting his wife, TV journalist Linda McDougall, to the Speaker. She has said she will divorce him if he votes for David Alton's Abortion Bill today and Mitchell says the threat constitutes a breach of privilege. "I'm perfectly serious," he insists. "I'm in a quandary because I think 28 weeks too long a limit and 18 weeks not enough. I'll be listening very carefully to what Mr Alton says today."

Rained off

The controversial Crown Prosecutions Service has bungled again — this time leaving a London barrister with his briefs wet, as it were. Robert Conway was about to leave his chambers in Lincoln's Inn for Highgate Magistrates Court when he realized the prosecution papers had not arrived from the CPS in Wood Green. As he pleaded for court business to be rearranged and his clerk frantically phoned the CPS, the papers were found nestled in a sudden pile beneath an outside gate at the Inns of Court. The messenger defeated by the closed door, it seems, a temp and has been given his marching orders. Conway charitably insists: "It was a one-off thing. I usually find the CPS very reliable."

BARRY FANTONI



"Of course, in the old days it was the leader's job people thought worth challenging for."

Loss upon loss

Whatever the outcome of today's National Union of Mineworkers' presidential election, Arthur Scargill is relieved, about one thing: the loss of his hair. His increasing baldness means that cartoonists used to lampooning his carefully arranged ginger strands will have to find a new target. He told Welsh miners last week that his recent arm injury, caused by a slip in the shower, was too short-lived to enable the cartoonists to depict him deprived of his jabbing right hand. But no sooner had he finished speaking than a third disaster befell him: he lost his voice. Kent miners, whom he was to have addressed, were understandably disappointed. After all, a Messiah without a voice is like an orchard without blossom.

This is my last column before retirement. After 21 years by PHS from Monday the Times Diary will be contributed by a named author each day.

PHS

In recent months the Labour Party has chosen to identify itself not merely publicly but ostentatiously with the cause of sick children. Babies and infants waiting for operations in NHS hospitals have dominated its propaganda. The process began during the last election campaign when Neil Kinnock himself made successful party-political play with the illness of a little boy. Since then the number of such cases taken up by Labour MPs has become an epidemic.

Last week John Hughes MP interrupted Commons Prayers and got himself expelled on behalf of a sick baby. The Labour leadership grudgingly went through the public motions of condemning Hughes's behaviour but privately rejoiced at the excellent party publicity he had secured. Kinnock was soon being photographed with yet another sick child.

Opinions may differ about this political exploitation of sickness, especially of tiny children who cannot express their views. Much of Labour's indignation on this issue may well be perfectly sincere. But doubts about its good faith on the whole question of the health and suffering of children, including those not yet born, are certainly not allayed by its attitude to David Alton's Bill, which has its second reading today.

The cruelties that are inseparable from many late abortions do not figure in Labour Party propaganda conducted on behalf of those babies fortunate enough to be born. This anomaly becomes all the more striking when we consider that most late abortions occur in the private medical sector, against which, in every other context, the Labour Party has set its face. Women come to

Labour turns its back on Christianity

by Paul Johnson

Britain from all over Europe for abortions and virtually all of them are done in private clinics. Moreover, even of our own citizens, such clinics account for three-quarters of late abortions. Nearly two thirds of these very late operations are performed by a mere 11 doctors, all of them in private practice. The abortion industry is big business.

Nevertheless, the Labour Party has done everything in its power to defeat the Alton Bill. Last October the Labour Party conference voted overwhelmingly, by 5,303,000 to 690,000, to deny Labour MPs the right to invoke the conscience clause on Bills concerned with "women's reproductive rights".

A statement on the Alton Bill issued by the Campaign Group of Labour MPs (of which the prayer-interrupting Hughes is a member) insists: "Labour Party policy is now quite clear and does not allow for a conscience vote." It is true that the Labour Chief Whip, Derek Foster, has not put on a three-line Whip, probably because it might prove counter-productive. But before Christmas he wrote a letter to all Labour MPs

which virtually amounted to the same thing. This was followed by a letter from the party's general secretary, Larry Whitty, written on behalf of the national executive, listing reasons why MPs should vote against the Bill.

Both Neil Kinnock, a prominent supporter of the Labour Abortion Rights Campaign, and Jo Richardson, official Labour spokesman and one of the Bill's most vociferous opponents, have made it clear where the leadership and the Shadow Cabinet stand. Innumerable groups within the Labour movement, both officially and unofficially, have made every effort to get Labour MPs to toe the party line.

The Labour Party in Scotland has circulated a campaign pack for use against the Bill. Districts and regions of individual trade unions and of the TUC have written letters to MPs believed to support the Bill, urging them to vote against. All this is in addition to the intense pressure exerted on such MPs by constituency parties and a variety of left-wing and women's rights organizations.

The general conduct of the Labour Party has obliged Cardinal

Hume, the Archbishop of Westminster, to complain privately to Kinnock. There is a well-grounded fear that some Catholic Labour MPs may feel obliged to vote against their consciences today. This episode is disturbing enough in itself but it raises much wider issues.

Can a Roman Catholic or indeed any strict Christian feel at home in today's Labour Party? A generation ago it was broadly true that the Conservatives were the party of the Anglican Church and Labour was the party of the Nonconformists and the Catholics. The coolness between the Tories and the Anglican hierarchy has been widely canvassed. Much less attention has been paid to the rapid, some would say catastrophic, decline of all religious sentiment within the Labour Party.

Its prevailing spirit is now not merely secular but militantly agnostic, even atheist, in tone. At party conference, in constituency parties, and even within the Parliamentary Labour Party itself, the running is made over a whole range of moral issues, by strident secularist groups whose views run directly counter to traditional Christian teaching. Labour MPs who are professed Christians are made to feel increasingly uncomfortable. They are tolerated rather than accepted, and the pressure exerted over the Alton Bill suggests that toleration may soon be withdrawn.

It looks, in short, as though Labour is going the way of the continental socialist parties, towards doctrinaire secularism. If so, it is a fact of which millions of Christian electors should be made aware. Today's vote will provide evidence of how far the party has travelled.

Fleur de Villiers on the wrong weapon wielded against apartheid

Sanctions' black victims

A funny thing happened in the US Congress last month. A number of senators, desperate to secure agreement on the budget reconciliation bill, agreed almost in a fit of absent-mindedness to the most Draconian sanction yet imposed on South Africa.

In contrast to the rhetoric-wrapped passage of last year's Comprehensive Anti-Apartheid Act, a clause, inserted by Congressman Charles Rangel and imposing double taxation on the 100 or so US companies still operating in South Africa, passed almost silently into law. The companies were already harassed by boycott and divestment pressures in the US. Now, unwilling to carry the additional \$77 million tax burden, they will scurry for the exit, and South Africa's insulation from American influence will be complete.

The Rangel amendment appeared to elicit something less than a shrug from an administration which in 1986 had used its presidential veto to express its eventually futile opposition to sanctions. It gives weight to the bleak view that in the United States at least, sanctions are no longer a great moral question but simply a bad habit to be indulged whenever self-interest can be served by "punishing" Pretoria.

It is a view borne out by the latest and most comprehensive study of the issue, *Sanctions and South Africa*, the *Dynamics of Isolation*, by Merle Lipton, published this week by the Economist Intelligence Unit (£12.5). Lipton is best known for her book *Capitalism and Apartheid* in which she demolished the argument favoured by the left that capitalism is the handmaiden of apartheid rather than the instrument of its eventual destruction. Her latest study, conducted with the same relentless and clinical detachment, exposes the tawdry hypocrisy and muddled thinking of sanctions devotees who have largely ignored the central question: the impact of sanctions on South Africa.

The reason for this lacuna — one which Mrs Lipton does her scholarly best to fill — is simple and unpleasant: sanctions tend to be less motivated by a genuine and altruistic desire for the destruction of apartheid than they are by domestic political and economic gain. In one of the few biting comments in a work which otherwise allows the facts to speak for themselves, she observes that "no one wants to bear the costs (of sanctions) but everyone is pleased to pocket the gains."

It is indeed instructive to compare a list of the most diligent and vocal sanctioners with those who stand to gain most from South Africa's economic excommunication. Was it purely accidental that Mrs Cory Aquino, who urged the



United Nations to take action on "this great moral issue of our time", also benefited hugely when the US transferred its South Africa sugar quota to the Philippines; that Australia and Canada, which have led the Commonwealth sanctions campaign, stand to gain most from South Africa's exclusion from international minerals markets, or that American unions campaigned vigorously for the inclusion of iron, steel, coal and textiles on the US sanctions list but refused to support the inclusion of uranium — imported for reprocessing for third countries — because of the substantial number of jobs that might be lost?

Not all gains are economic. The need to send a message to Africa and other Third World countries is felt most keenly by those countries — pre-eminently the United States and Australia — burdened by their own as yet unresolved racist history. For the US, sanctions also serve as a symbolic substitute for a coherent African policy. In a complex, confusing and often contradictory web of motives, the thread of self-interest is the most consistent. Nevertheless, as the sanctioners — governments, local authorities, universities, churches and non-governmental organizations — persist in claiming altruistic motives, it is necessary to point out that their actions have and will continue to have perverse and unintended consequences, both economic and political.

Those consequences, many of which have strengthened the white

establishment in South Africa and weakened the black opposition, are too many to be cited here, but a random sample should suffice. The early United Nations arms embargo turned South Africa into a major arms exporting country. The latest sanctions spasm drove up the price of platinum, one of South Africa's key exports, from \$250 to \$600 an ounce in a year. External threat put an end to the reforms which internal pressures had achieved and caused a major shift to the right in last year's general election.

By far the most perverse effect, however, has been achieved by American disinvestment. In the last two years some 170 companies have been compelled by US state and city purchasing bans and general divestment pressure to sell up. Some have simply closed their doors and walked away, putting their black employees out of work. Most have sold out at bargain basement prices to large South African companies or local management, thus creating about 100 new instant South African millionaires — all of them white. It is no coincidence that, freed from the need to please American legislators, many of their South African successors have laid off staff or that the list of signatories to the Sullivan employment code, which Congress adopted to enforce racial integration in American-owned companies and encourage social responsibility programmes, has been cut by half.

Black employees of former American companies are not the

only victims of sanctions. By banning such labour-intensive imports as coal, iron, textiles and agricultural products, American legislators unwittingly selected those which would inflict the most damage on the most black South Africans. It is not surprising that some black trade unions, like some front-line states, are beginning to show a marked ambivalence on the issue.

That ambivalence, however, is not shared by Congressman Rangel, whose amendment will create more white millionaires, throw more blacks out of work and, on the principle that the best way to convert a pagan country is to withdraw all the missionaries, reduce American influence in South Africa to zero. On the basis that the end — a transfer of power — justifies the means, dedicated sanctioners are willing to overlook the suffering they cause.

But even comprehensive sanctions, as Mrs Lipton points out, are unlikely to meet the government's aim of ending apartheid violence throughout the region. "It is no small thing," observed Professor Peter Berger, an American sociologist, in a recent lecture, "to take actions that may cost human suffering and even human life in a faraway country. To do this without the most painstaking assessment of trade-offs is morally irresponsible. To do it because it makes one feel morally pure is contemptible." Merle Lipton has now given us that painstaking assessment.

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Gaza threatens a rift in British Jewry

Nightly displays of televised violence from the West Bank and Gaza are hard to bear by Britain's 400,000-strong Jewish community, which has a tradition both of sympathy for the Palestinian refugees and of loyal support for Israel. And the volume of letters expressing this anguish to the Chief Rabbi, Sir Immanuel Jakobovits, and the editor of the *Jewish Chronicle*, Geoffrey Paul, has been rising in recent weeks. Typically, a member of Sir Immanuel's staff said, they are from people "whose moral conscience is troubled and concerned". What causes most anguish is the lack of any solution in sight, and the extreme complexity of the case.

Sir Immanuel, who was made a life peer in the New Year's Honours List, expressed some of these feelings in a television interview earlier this month, when he called the plight of the refugees "an intolerable blot on human and Jewish conscience". The *Jewish Chronicle's* consistent editorial

line was summarized by its editor as: "Israel has to get out of a position where she is ruling 1.5 million people who are never going to love her." But these are two ways of describing the same dilemma, not a solution. And the strong sense of anxiety and frustration both men detect is inevitably coloured by the community's insecurity, grievance and indignation, going back to the war.

At the meeting of the Board of Deputies of British Jews last weekend, its president, Dr Lionel Kopelowitz, tried manfully to hold together a community which could easily become bitterly divided on these issues. The seeds of division exist already, in the strongly held views over the permanent incorporation of the West Bank into Israel. Some, including the Chief Rabbi, prefer to call the West Bank Judea and Samaria, reminding all Jews that the Promised Land included the territories occupied since 1967. But the more pragmatic view is no

less strongly held, that peace is more important than fulfilment of the biblical promises.

These are not the only two conflicts of opinion in the British Jewish community, however. Whenever Israel is seen to be under international pressure, the dispute becomes not about what is to be said, but whether anything should be said. There is fear that criticism will become valuable ammunition for Israel's sworn enemies, who do not want any "solution" of the Palestinian problem short of Israel's annihilation.

As Dr Kopelowitz pointed out to the Board of Deputies, the UN annually condemns Israel for trying to resettle Palestinian refugees away from the Gaza Strip. But until 1967 the refugee camps in what is now occupied territory were kept squalid and overcrowded as a way of applying political pressure on behalf of the Palestinian cause in general. And it appears to have been successful in its aims, though Israel is often

criticized by British Jews for failing to realize the sleeping volcano those camps represented, once they were Israeli hands. Something has indeed been done since 1967, but just about the only thing British Jews are prepared to concede to the Foreign Office minister, David Mellor, following his outburst at a camp, is that it has not been enough.

Behind all the uneasiness lies the widespread feeling that Israel repeatedly finds itself judged by Western public opinion according to a double standard, for it is somehow demanded of it that it should be morally better than all its neighbours. Most Jews suspect a hint of anti-semitism behind this — but it could also be an unconscious tribute. It means that Israel is seen to belong by right to the first rank of civilized and democratic nations, and is to be judged accordingly.

Clifford Longley
Religious Affairs Editor

John Grigg

Epitaph for a political dream

A malign Fate seems to have decreed that the sensible realignment of British politics so long desired by so many should never be allowed to occur. For a quarter of a century the need for it has been manifest, but the best opportunities for achieving it have been missed.

The first was in 1964, when the Labour Party narrowly avoided losing a fourth consecutive general election, and would, in my view, almost certainly have done so but for the 1963 Tory leadership contest and its aftermath. The unnecessary resignation of Harold Macmillan followed by the row over Lord Home's succession was just enough to enable Labour to win by a whisker and so to postpone fundamental changes that would otherwise have become inevitable.

If Macmillan had decided to soldier on after his prostate operation (as de Gaulle, an older man, did at about the same time) the Conservatives would probably have stayed united and won the election, because he was a formidable campaigner. But his departure alone would have been unlikely to result in defeat for the party, if Butler, Heath or Macdonald had been chosen to succeed him.

Even Home, despite his anachronistic image, came near to winning, and believes with reason that he would have won if Macleod and Enoch Powell had not refused to serve under him, and if Macleod had not aggravated the split by writing his famous *Spectator* article alleging that the choice of new leader had been rigged by a "magic circle" of Old Etonians. (The charge was essentially bogus, but of course a godsend to Labour and damaging to Tory morale.)

Be that as it may, one can hardly doubt that a fourth Conservative victory would have forced a realignment on the left, for which the circumstances were then particularly favourable. The Liberal Party was led by Jo Grimond, one of the most intelligent and attractive of postwar politicians; while the Labour leader, Harold Wilson, had been a Liberal himself at Oxford and was already, by 1964, noted for the agility of his footwork. Under their joint aegis a Lib-Lab combination might well have emerged, marginalizing the cranky and ideological left.

But the greatest missed opportunity of all was in 1981, when the SDP was created and the Alliance formed. Two disastrous failures of imagination and will then occurred. The Tory "wets", who for so long had been taunting Labour moderates for not having the courage of their convictions, failed signally to show the courage of theirs. And the defectors who set up the SDP failed to resign their parliamentary seats in order to fight by-elections and seek immediate popular support for their rebellion.

The Tory "wets" did not need to become members of the Liberal

Party or the SDP. They could have followed the example of the Peelites in the last century by forming their own group of independent Conservatives, which in turn could have constituted a most valuable third element in the Alliance. This would not only have given the Alliance a more balanced character at its inception; it would also have supplied a further contingent of politicians with experience of high office, who would have made it more credible as a contender for power.

Instead, the "wets" remained in the anomalous and inglorious position of sustaining a government to whose policies they were substantially opposed, while injuring a cause with which they were in almost total sympathy.

Even so, a mini general election precipitated by all the Labour MPs (and one Conservative MP) who attacked the SDP would have been a most exciting event, with incalculable consequences. Granted the atmosphere of the time, it is likely that most of them would have won their by-elections, so acquiring democratic legitimacy and making themselves immune to the charge that they were sitting under false colours. Far more of them would then, surely, have held their seats in 1983.

David Owen, for one, now admits that he and his colleagues were wrong not to resign and fight at the time. But he is not, and probably never will, that he was equally wrong to block any move towards a merger of the Alliance parties when he displaced Roy Jenkins as SDP leader after the 1983 election. Within a single, united Alliance party the nuclear unilateralists (strongest among the Liberals, but not confined to them) would have been cut down to size, and anything like the appalling 1986 vote at Eastbourne — now illogically cited as an argument against earlier merger — would have been impossible. The strategy involving two parties and two leaders, insisted upon by Dr Owen, can hardly be said to have been vindicated by last year's election result.

Since then an attempt at merger has been in progress, but its chances of success have been high from the first by Mr Steel's one-sided and over-hasty initiative, no less than by Dr Owen's utter intransigence. During the past fortnight any hope of a worthwhile merger has been virtually destroyed by Mr Steel's and Mr Macdonald's fatal bungling of their policy declaration.

The country still wants and needs a party that takes the American view of enterprise, the French view of national defence, and the British view of social responsibility. But the triumph of such a party is now doomed to further indefinite delay. Meanwhile Margaret Thatcher, much aided by our bizarre electoral system, is almost as free from serious opposition as Robert Mugabe.

however . . . Henry Stanhope

'Ow to please the workers

"Ere giv, got yer manifesto ready for Neil Kinnock then 'ave you? Heh, heh, heh."

Well 'e's opened this listenin' bank, ain't 'e? Let Labour voters tell 'im what they want, 'e says. Cor blimey, we could soon tell 'im, eh? 'E's cared to get in the back of my cab, I'd soon tell 'im know 'ow to please the workin' class.

Well 'e could get rid o' all these dardies for a start — and all them fancy boys you get poncing around these days. Bustin' disgrace it is, if yank me. Dyer know guv, 'arf o' em round our way can speak the flippin' Queen's English. And them 'e's flamin' schoolteachers! Would yer b'lieve it, eh? And there they're teachin' our kids all about these 'ere lesbians and whatnot. Well, they're already talkin' about the Old Bent Road ain't they? Heh, heh, heh.

Then, for afters, 'e could bring back 'angin'. Well, with some o' the villians round our way — I'd 'ang 'em first and then ask the questions afters. Before their snarmin' lawyers and MPs start stickin' 'em out in.

Dyer know, guv, an' this is straight up this is, they 'ad this feller on a 'ousebreakin' charge the other day. Well, you could tell 'e were guilty soon as look at 'im. Great long 'air 'e 'ad, 'arfway dahn 'is back, an' this look on 'is face. Know what I mean? Well, 'e 'ad this lawyer, right little creep 'e were, 'oo made out in court that 'is client, as 'e put it (got ter lard ain't yer) 'ad been havin' a gamer smooker at the time. Not only that, 'e 'ad witnesses to prove it. An' you know what? Blow me 'e didn't get 'im off. Flippin' criminal it was.

I reckon some of these local councillors should be among the first for the drop an' all. What they do to the flamin' roads. They bring in these fancy traffic schemes — takes yer 'arf a day to work 'em out, an' the other 'arf tryin' to get round 'em. Diabolical.

Trouble is, see, they take on these college lads — still wear 'em the ears they are. Well, they got no idea, 'ave they. What do they know about gettin' from the Angel to Charing Cross past a demo of these flamin' ayarollahs, eh? Not like you and me guv?

You know my mate Fred as I was tellin' you about? Well, 'e

were a Labour voter once. Dead keen 'e was too. Seems as 'e'd read all about them talkin' from the rich to give to the poor like, so as soon as 'arold Wilson got elected, Fred thought 'e'd better get on the receivein' end pretty quick like.

But you wouldn't think so now to 'ear 'im. Once Fred made a bit of the ready through some villainy or other, 'e were off — switchin' is allegiance you might say. Now 'e's a bigger Tory than Lord 'airshaw. Big blue roses on election day. Chelsea supporter now eh? I asked him, 'e didn't care to give away 'is own loyalties, did 'e? Any of 'is own loyalties, did 'e?

It's 'ard work what put this country on its feet an' 'ard work what's goin' to keep it there, Fred keeps saying — as if butter wouldn't melt in 'is mouth like. 'ard work I ask you! The only 'ard work Fred's ever put in is, tryin' to think up ways of gettin' out of it. You've got to lard though, 'ave you?

Mind you, 'e's got a point. I mean you 'ear all these getzers rabbit on about 'ow there's all this unemployment. I tell you guv, there's plenty of work there for them that really wants it. But some of them Labour voters is better off on the dole.

I don't know what you think guv, but frankly I take my 'arf at 'em. HRH Prince Edward. I mean, 'e's got out and got 'imself a job on 'is own, ain't 'e? None o' your queasin' up at the JobCentre for 'im or 'angin' around waitin' for 'is Mum to 'elp out. An' you can't tell me that 'e 'ad to, what with bein' the Queen's offspring like.

Or right, I grant you 'e threw in the towel like when 'e was in the Royal Marines. But 'e seems to have turned over a new leaf like. My missus reckons 'e must be takin' some of the flippin' 'angin' on the stage like that. Well, it runs in the blood then, don't it?

Speakin' of the Marines though, I reckon one of the things I'd like to tell Neil Kinnock and that lot is not to go soft on the Russians. If Arfiter Scargill and any of them lot want ter 'ave any truck with Mister Gorbachev, they can go and flippin' well go and live there, can't they eh?

Yer, I reckon we could tell 'im a thing or two. Gawd bless yer guv. And mind 'ow yer an.

Climb
Killey
in Ne
Zealand

RK



1 Pennington Street, London, E1 9XN Telephone: 01-481-4100

AGAINST ALTON

Like attempts to reintroduce capital punishment, proposed changes in the abortion law make regular appearances in the parliamentary calendar. And like the death penalty, abortion is treated as one of Parliament's select band of "conscience issues". Whips are not applied and MPs will have a free vote today on Mr David Alton's Bill to restrict severely the number of legal abortions carried out after 18 weeks of pregnancy.

Capital punishment and abortion are, of course, no more exclusively issues of conscience than many others upon which the party machines cheerfully apply their disciplines — inflation, the state of prisons, tax reform, animal rights, to name but a few. It would be more accurate to call them "difficult issues", matters upon which Cabinet and party unity cannot possibly be achieved, and where, therefore, it is thought better not to try.

So today we will be allowed the whiff of the old Westminster, when party bosses did not dominate, when alliances were made and unmade in a minute, and those on barely speaking terms became firm lobby-fellows for the night. Mr Alton would have a credit to the Parliaments of Queen Anne: he has assembled formidable support for his Bill.

Almost as though he were building a personal party from scratch, he has united Messianic and moderates, the principled and the merely guilty. His allies include those who see his Bill as the first step to banning abortion entirely, and those who think that a modified version of it would be useful "fine-tuning to the temper of the times".

The ostensible aim of the Bill is to outlaw so-called "late abortions", the approximately 9,000 abortions which take place each year of foetuses aged between 18 weeks and 28 weeks. There is no absolute moral principle here. The moral status of the foetus does not change as soon as it becomes 18 weeks old. It does not change decisively even when — ever sooner with the help of modern technology — it gains the potential to live outside the womb.

What changes as the foetus grows older, the supporters of the Bill argue, is its capacity to experience physical pain: the later the abortion the greater the cruelty. The level of emotional

pain upon those doctors and nurses who carry out abortions is likely to increase too.

These two arguments, particularly the first, have become central. They have been backed by photographs, taken by ultrasound techniques, including the now famous picture of the foetus sucking its thumb inside the womb.

But if abortions were to be tightly restricted after 18 weeks, there would also be painful effects. The woman who is left to have an abortion at that time is more likely to be young, immature and incapable of looking after a baby; or older and unable to cope without bringing misery to herself and the rest of her family.

Not all life-damaging conditions can be detected by doctors before 18 weeks. So more handicapped children would be born. More abortions might even take place within the new legal time-limit; a woman who is given a diagnosis of a possible handicap and does not want to take the risk may choose abortion instead.

All utilitarian calculations are hard, but few more so than the assessment of how much misery will be prevented by Mr Alton's Bill and how much caused by it — whether to the foetus or to the prospective mother. Yet that is the only question which MPs are seriously being asked to judge.

They would be better employed considering a calculation that comes more naturally to them. If Mr Alton eventually accepts an amendment reducing the time-limit to 24 weeks, will he be satisfied with that? This is a much-touted argument for giving the Bill a fair wind today. It brings the law closer to actual medical practice. It also reflects the scientific advances which now allow 24-week-old foetuses to live independently of their mothers.

Perhaps he will be content with this. Or he may have no choice. It may be many years before such a coalition of divergent interests can be constructed in Parliament again.

But, on the most recent figures, a change to 24 weeks might succeed in preventing fewer than 30 abortions. Would that satisfy these indomitable campaigners? Would it not, rather, raise their spirits for what is the aim for many of them, the ending of Britain's 20 years of sensible abortion law? It would be better and safer if Mr Alton's Bill were defeated.

DARK AGES IN THE DOCKS

Pressure is growing among Government backbenchers for an end to that antique absurdity, the National Dock Labour Scheme. Altered by the recent Falkstone Bill facilitating expansion of one of Britain's fastest-growing ports outside the scheme, nearly 200 MPs have signed a House of Commons early-day motion calling for its repeal.

The Government should listen to its backbenchers. The scheme is a contradiction of everything for which the Government stands. Started in 1947, it effectively freezes working practices and manning at their wartime levels. Changes can only be made if the local and national dock labour boards on which the unions have 50 per cent representation agree. Effectively this gives dockers in these areas a job for life unless the union agrees to allow them to be paid to give it up.

Many dockworkers' jobs have been thus purchased over the years, at considerable cost to the employers and the taxpayer. The number of registered dockers has shrunk over the past 40 years from 75,000 to just under 10,000, but that still leaves an estimated 700 surplus workers for whom the maximum severance payment is currently £25,000 a head.

Even more important is the "hidden" surplus of workers which restrictive practices have created. Some flavour of the rulebook under which registered dockers work is provided by the injunction that dockwork shall exclude "the leading carts by horse drivers in the ports of Penzance, Hayle, Portreath, Portleven and Newlyn" and references to work connected with "sailing barges and other self-propelled vessels" in the port of Medway.

The Government, like others before it, has made the disreputable calculation that the cost of a national dock strike would be considerably greater than the cost of continuing to pay this Danegeld. In fact, the cost of the scheme is

considerably greater than the bare figures would suggest. This week's Public Expenditure White Paper provides only £1 million in the coming year, but the reality is that when the current provisions for taxpayer assistance to the port employers run out in March they will have to be extended. Any other solution would bankrupt the employers and close the docks. In addition the Government is proposing to write off a further £44.5 million of loans to employers in prior years — the latest in a long line of such write-offs.

Because of the existence of this wart on the face of the labour market, potential new employers are deterred from entering dock areas which are often the very inner city areas needing new investment most. The scheme is also a standing source of grievance to other workers who see the dockers refusing to adapt to the demands of a changing market and being subsidized in their intransigence by statute.

How serious industrial action would be if the dockers' bluff were called is impossible to predict. But just as a third of the miners were prepared to go on working during the miners' strike so ports outside the scheme now account for nearly a third of sea traffic by volume and more than half by value. Oil is not handled in the affected ports, and air freight accounts for a growing proportion of the more valuable cargoes.

Abolishing the scheme would not transform the docks overnight. But it would end the insidious belief among dockers that they are employed not by the ports but by the boards, and would allow the employers to begin serious negotiations for changes in working practices. A Government which believes that adaptability and hard work are the best guarantee of prosperity and employment should have the courage to allow working practices in the docks to be brought into the 1980s.

TRAINING BEHIND FRANCE

The Technical and Vocational Educational Initiative (TVEI) is one of the most positive advances in secondary schooling since the 1944 Education Act failed to secure the establishment of technical schools on a par with grammar and modern schools. Still only in an experimental stage, the initiative has captured the imagination and application of teachers and pupils alike.

This is not just because it has offered an external source of funds. It has great potential to redirect secondary schooling towards preparation for the world of work. It does not fall into the trap of training only for specific jobs or for the acquisition of named skills. It lays the groundwork for craft and technical attainments to be acquired when school days are over.

The fate of the TVEI within Mr Kenneth Baker's educational reforms has been hardly discussed, and that is a pity. It is not altogether clear how his common curriculum or his attainment tests for secondary pupils connect with the TVEI programmes, nor whether the curriculum that has been developed under TVEI auspices will be transferred into those schools which opt out.

There is the danger that yet another education secretary will fail to grasp that the gap in schooling in this country since the war has not had primarily to do with liberal or scientific education but with the preparation of children for employment, or at least for subsequent training which will equip them to perform jobs of work. In the 1990s that performance will entail contributing to a shifting balance of economic activity in a highly technological society.

The latest in the National Institute of Economic and Social Research (NIER) series of comparative studies of vocational skills puts Britain behind France. There are fewer qualified young entrants to the labour force on this side of the Channel. In mechanical and electrical engineering, at craftsman level, the French are measurably more skilled. The French technician is much better equipped to contribute to the success of his firm.

The NIER names three culprits: trade unions wedded to the rationing of skills, managements which will not train, and secondary schools which produce children without aptitude or pre-vocational attainment. This Government has mounted a spirited assault on trade union privilege. It has won a famous victory. Yet organized labour is still able — it would appear — to crimp and constrain the supply of skills. In France there is, it seems, a skill surplus; the result is that skilled job-seekers take semi-skilled jobs, and their presence is good for the firm.

Yet the unions cannot be held solely responsible for the persistence of apprenticeship as a mode of controlling entry to jobs, and keeping up wage rates for the privileged few. The failure of unions to liberalize the supply of qualified labour is equally a failure of managements which too often opt for a quiet life.

There is a loud chorus, including the CBI, which regularly castigates managers for failing to take training seriously. A role for the State in enforcing responsibility among employers for the quality of labour has not disappeared. The success of TVEI should be the beginning of further reform.

Planning for health service needs

From Mr Michael Grylls, MP for Surrey North-West (Conservative)
Sir, Your leader (January 20) on Britain's health services is quite right when it says: "She (the Prime Minister) will never have a better opportunity to win support for fundamental change. Britain needs a mixture of health services which will reflect both consumers' demand and their willingness to pay."

It is because I agree with this view that I welcome the present so-called crisis. If enough people believe there is a crisis they will be forced to support reform.

The Conservative Government appears ill at ease because it is defending a socialist monopoly service. You cannot defend convincingly a structure that you know can never deliver satisfaction to the consumer. It is for this reason that we opened British Telecom up to competition and privatised it.

Any organisation which depends — as does the National Health Service — on finite financial resources, but which is dispersed "free" at the point of consumption is bound to lead to dissatisfaction.

Since 1979 we have had a bold Government, unafraid to challenge and change the post-war socialist nostrums. Let us go back to the drawing board and rethink how Britain's health care can be organised effectively for all our people.

When we do this — as we must — let us ensure that hospitals, once they are allowed to stand on their feet with the minimum of bureaucracy, and doctors are made to compete for their patients. Only if the balance of power between providers and consumers is dramatically altered will the so-called crisis disappear.

Yours faithfully,
MICHAEL GRYLLS,
House of Commons.

From Dr C. E. Gordon Smith and Dr N. A. Black

Sir, Current arguments about the NHS seem to miss the important point that planning and management without adequate information on the effectiveness of health services cannot be expected to achieve the improvements in efficiency so desirable because resources for health care will always be limited.

The NHS is our largest industry but lacks a defined or adequate health services research and development policy or budget, health authorities devoting only a tiny proportion of their resources to studying the effectiveness of their services. Health services research, which receives little support compared with basic science or clinical research, is and has long been a Cinderella subject which has generally failed to attract and retain high-quality people either in the universities or the health service because of lack

of visible investment either in career or resource terms.

Thus not only must the health service be bailed out of its present crisis, but if there is to be a continuing crisis (and crisis management), and if the Government is serious about improving efficiency, the long-needed additional resources must be provided for health services research and for the training of health service managers in the application of research findings.

Yours faithfully,
C. E. GORDON SMITH, Dean,
N. A. BLACK,
London School of Hygiene and Tropical Medicine,
University of London,
Keppel Street, WC1.

From Professor Emeritus H. F. Lyall

Sir, Solutions to two major problems of public finance seem to be blocked by inability to find appropriate administrative systems for combining the principle of personal payment for services with equity. I refer to the problems of payment for health services, and for local government.

It is widely recognized that it will become increasingly impossible to provide completely "free" health services of satisfactory quality to everyone. Some personal contribution must be made, both to restrain irresponsible demands and to ensure a better appreciation of costs, both by doctors and by patients. Yet many feel that it would be unfair for the poor to pay the same as the rich.

A simple solution would be to issue every adult with a "services" credit card. Each visit to the family doctor and each day in hospital, for example, might incur an appropriate charge, which would be signed for on production of the credit card.

The total amount of such credits accumulated by an individual during a year, subject to a maximum, would be collected through the income tax system at rates varying with total income per adult. The same method could be applied to the collection of local community charges.

The advantages of the system are: (1) people would contribute towards the cost of services provided to them; (2) their levels of contribution would be related to their income; (3) the system of deferred payment would mean that people would regard the increase in their tax as the repayment of a lump sum debt, rather than as an increase in the rate on their current income; (4) the degree of progressiveness of the charges would be determined by Parliament rather than by the variable decisions of local authorities.

Yours faithfully,
HAROLD LYDALL,
Charnwood,
Church Walk,
Combe, Oxford.

Russian studies

From Dr L. A. J. Hughes
Sir, At the risk of earning a Mandy Rice-Davies-style rebuke, I feel I must respond to your leader (January 11) on Russian studies. Among the arguments produced against improved provision for the subject appears to be that the need for Russian specialists is a fluctuating one.

But how many graduates in philosophy, history, French (the list could be extended) does the country "need"? One becomes weary of repeating the argument that a discipline which combines a linguistic challenge with study of a great literature, a fascinating history and a presence of vital importance in world affairs produces graduates at least equal in

"usefulness" to their fellow arts graduates, most of whom apply their skills to fields other than their degree subject.

So why discriminate against Russian? Those university teachers who have survived almost a decade of "rationalization" are not so unrealistic as to demand major expansion, but merely ask that current provision be safeguarded and that the profession be allowed to acquire some "new blood" before the last of us retire in the first two decades of the next century.

Yours faithfully,
LINDSEY HUGHES,
University of London,
School of Slavonic and East European Studies,
Malet Street, WC1.

Pelicans in the park

From Lord Greenhill of Harrow
Sir, There is a dark side to the lives of the pelicans in St James's Park (reports, December 17, 18 letters). There was a three-line whip on Richard Shepherd's Bill to amend the Official Secrets Act. Even supporters of the Bill have said that it could have been stopped in so many other ways, by a word here and a word there or by the use of the payroll vote.

Am I alone in finding this a suggestion that comes rather oddly from people who want to reduce the secrecy of Government workings? At least the three-line whip approach has the merit of being open and straightforward.

Yours sincerely,
JAMES ARBUTHNOT,
House of Commons.

Singapore's response

From the Acting High Commissioner for Singapore
Sir, Contrary to your article, "Editor and Prime Minister locked in combat" (December 30), the Singapore Government does not deem "any article which it disagrees with... to be an interference in its internal affairs". It objects to publications making false allegations about Singapore and then refusing to substantiate or retract them.

In the case of the *Far Eastern Economic Review* (FEER), it did not simply "give a different picture" of the detentions of the Marxist conspirators. It made serious allegations that the Singapore Government was attacking the Catholic Church and that the Prime Minister had deceived the Archbishop. Such allegations, if believed, can cause grave damage in a multi-racial, multi-religious society like Singapore, where freedom of worship and tolerance are vital for national cohesion. This is

Open government

From Mr James Arbuthnot, MP for Wandsworth and Woodford (Conservative)

Sir, Complaint has been made that there was a three-line whip on Richard Shepherd's Bill to amend the Official Secrets Act. Even supporters of the Bill have said that it could have been stopped in so many other ways, by a word here and a word there or by the use of the payroll vote.

Am I alone in finding this a suggestion that comes rather oddly from people who want to reduce the secrecy of Government workings? At least the three-line whip approach has the merit of being open and straightforward.

Yours sincerely,
JAMES ARBUTHNOT,
House of Commons.

Why the Government has restricted its circulation and the Prime Minister is using FEER for libel.

Further, the recent action to close the office of the Christian Conference of Asia (CCA) was not a move against another Christian group in Singapore, as your article "Lee closes church office and sends foreign staff home" (December 31), asserted.

The Government acted on the grounds that the CCA breached the understanding it gave in 1974, when it applied to move its headquarters to Singapore, not to indulge in any political activity or allow its funds to be used for political purposes. The Government cannot allow religion to be used as a cover for political activity because of the danger this poses to racial and religious harmony in Singapore.

Yours sincerely,
MARY SEET-CHENG,
Singapore High Commission,
2 Wilton Crescent, SW1.
January 21.

Benefits of fish catch reduction

From Dr J. A. Gulland, FRS

Sir, A recent news item (January 11) draws attention to the criticism by the National Audit Office of Government fishery policy. The shortcomings in policy are not only a matter of inconsistencies between scrapping and rebuilding, but are also due to the lack of any clear long-range objectives. This is not just a British problem; the North Sea is a European lake and measures to manage the North Sea fishery must be taken by all concerned countries acting together.

Since the disasters to the herring and mackerel stocks around 1970, the rate of fishing has generally been kept low enough to avoid any immediate threat to the fish stocks. However, the amount of fishing is much too high by almost any economic or social standard.

Biologists and economists have pointed out the benefits — reduced costs, greater stability of the stocks etc. — that can in theory be expected from reducing fishing. Recent experience around the Falklands shows that these benefits can be realised in practice and that a substantial revenue can be gained by a government that manages its fishery resources wisely and eliminates the waste that comes from too many ships going after a limited fish supply.

At present, the amount of fishing for the prime bottom-living fish in the North Sea grossly exceeds the economic optimum, probably by about fourfold in the case of plaice and even more for cod. As a result the costs of fishing are very high and for most countries fisheries do not generate income, but require a substantial drain from the public purse in the

form of subsidies or other support.

Although the extension of fishery limits allows a more positive approach to fishery management, decisions in Britain and elsewhere have focused on short-term problems and the sharing of the total allowable catch, i.e., how to cut up a cake of a fixed size.

British (and European) policy has largely ignored the strategic objectives of reducing the amount of fishing by a substantial amount, thus rebuilding fish stocks and making the fishery cake larger and more tasty, in economic terms, if not in terms of the gross weight caught. It is high time that emphasis in Government policy was redirected at these attractive long-term objectives and the difficult work that will be needed to achieve them.

Yours sincerely,
J. A. GULLAND,
Imperial College of Science and Technology,
Centre for Environmental Technology,
Renewable Resources Assessment Group,
8 Prince's Gardens, SW7.
January 12.

ON THIS DAY

JANUARY 22 1788

Ireland had its own Parliament, dating from 1294, until the union with Great Britain in 1801. The remarks of "his Excellency" (the Earl Camden, Lord-Lieutenant) referred to insurrections by Protestants and Catholics, which culminated in the Irish rebellion in that year ("On This Day", July 9, 1985).

[IRISH PARLIAMENT]

House of Lords, Monday Jan. 15.
About five this afternoon, His Excellency came in state to the House of Peers and delivered the following speech from the Throne.

"My Lords and Gentlemen, ... When I reflect on the tranquillity which attended the last general election, I have just ground to believe that the wisdom and firmness which were manifested by the late Parliament, were felt and approved by the nation at large, and that your conduct will be actuated by similar principles in defence of our happy Constitution."

"His Majesty relies with confidence on the spirit of his people of Ireland, who are sensible of their duty to their God, their Sovereign, and their country. He knows they are incapable of being intimidated by any threats, or deluded by any offers, and he implicitly depends on the valour of his regular and militia forces, the active loyalty of the district corps, the courage of the nation, and the prowess of his fleets and armies for defeating every hostile attempt which may be made on this kingdom."

"Gentlemen of the House of Commons,

"I have ordered the public accounts and the estimates for the ensuing year to be laid before you — I lament that additional burdens are still necessary, in order to maintain the honour and security of the empire in the present exigency — and although from the state of preparation in which this kingdom stands, some of the demands of former periods will not recur, yet I fear the general expense of the ensuing year will not admit of any considerable reduction. When you reflect on all you have to preserve, and all you have to expect from the enemy you have to combat with, I doubt not the supplies will be cheerfully granted. I shall endeavour on my part that they shall be faithfully applied."

"My Lords and Gentlemen,

"In consequence of the Addresses of the Houses of Lords and Commons in May last, I directed immediate and vigorous measures to be taken for repressing disaffection in the Northern parts of the kingdom, and for restoring security and confidence to the loyal and well-disposed; the effect of which has been manifested in the return of subordination and industry in that quarter. Other attempts have been made by the leader of the disaffected in some parts of the Midland and Southern districts with too much success, and emissaries have been employed... and publications have been circulated by them to revive religious animosities, and to open prospects of plunder, by which means the lower classes have been excited to commit acts of the most horrid outrage and barbarity. I have to lament that the diligence and activity of the Magistrates, though assisted by the troops which have been ordered into that part of the kingdom, have not yet been able entirely to put a stop to those disturbances..."

"Amidst your exertions for the defence of the kingdom, I must not omit to recommend to you not to relax your attention to its commerce, its agriculture, and its manufactures, and especially to that of the linen, nor your liberality be less conspicuous in continuing that protection to the Protestant Charitable Schools, and the other charitable institutions under which they have so long flourished..."

FRIDAY PAGE



To the manner born: Susan Piggott, happy at work in the stables, staying in touch with practicalities — "if it had to happen, it was lucky that it happened at the end of the season"

Living without Lester

Yesterday the Jockey Club heard Susan Piggott's application for a full training licence. Michael Seely visited the Piggotts' bungalow in Newmarket to hear about life without Lester

Susan Piggott is closely acquainted with being in the saddle, which is a particular solitude. Aged two, she rode black Yorkshire moors on a pony. Aged eight, she rode Newmarket gallops on a racehorse. From the day she married in 1960, her husband, like many a successful man, measured his success in miles travelled, around the country and across the world. So it is a tantalizing irony that with her husband a mere 12 miles away, Mrs Piggott is very much in the saddle, and very solitary.

Lester Piggott is installed in High Point open prison at Stradishall, sent there last October to serve a three-year sentence for not paying his taxes. But the prison and the court case and the events that led to both are referred to only obliquely in Mrs Piggott's vocabulary: prison is "where he is", the non-payment of tax is "the problem that began in January 1986" (when their home was raided), and life without Lester is "since October 23, as it were" (the date Piggott was sentenced).

Not that life without Lester consists of waiting for the time to pass. Far from it. Mrs Piggott, a bloodstock agent in her own right for more than 20 years, has a stable to run, under a temporary licence — yesterday the Jockey Club heard her application for a full one — and to that end some part of her routine is devoted to a daily exchange of letters with her husband.

"No longer can I refer to him at a moment's notice. I write to him every single day, giving a rundown of what we've been doing and what we plan to do. I hope this makes life easier for him. He's able to keep abreast of the news, he sees the racing papers, and therefore he is able to maintain a close interest in what's going on at home."

She is nothing if not practical: "I've had quite a lot of adjustment to do mentally. But I suppose if it had to happen, it was lucky that it happened at the end of the season. There's been enormous pressure since the house was raided, so, obviously, quite a lot more has fallen on my shoulders."

Those shoulders belong to a trim,

attractive 48-year-old, a lively woman who speaks in confident, clipped but cautious tones, each response carefully weighed for its possible effects outside the closed world that is racing.

We talked at Florizel, the home the Piggotts had built in 1975, which is adjacent to their Eva Lodge Stables, straddling Hamilton Road in Newmarket — a bleak place in

winter. The grey-slated bungalow is modest, even austere. A tarmac drive leads through the stone gates past the paddocks, a lawn and some silver birches. Statues of two jockeys, in the colours of Sir Victor Sassoon and Raymond Guest, flank the door.

Inside the bungalow, the austerity is relieved by a long, low living room which exudes comfort, though there are few trappings of wealth, no gadgets for their own sake. "Neither of us is gadget minded," she says. "I can even manage to muck up a videotape."

The furniture is solid, unpretentious and of indeterminate age. On a wall hangs an oil painting of Maureen and Tracy, their daughters now grown up and moved away, though both of them are "towers of strength" in Mrs Piggott's present circumstances — Maureen as her assistant, Tracy in the bloodstock business. In a corner hangs a small painting by Herring of a horse, it flanks a print of Piggott on the

legendary 1968 Derby winner Sir Ivor and on each of the other four best horses he had ridden. "The best horses he had known at that time" — his wife firmly offers the qualifying phrase.

The years before Piggott were dominated by her father and by horses. Most of her school years passed at East Haddon Hall, near Northampton. "It was very hunting and racing orientated. Tony Oaksey, Jeanette McCreery and Ann Brotherton were there. We used to be known as the scourge of the Pychley Hunt." The first two married prominent racing personalities and the third is a racehorse owner.

During the school holidays she rode gallops against the top jockeys of the day. "It makes me seem very old, but I used to be working with Charlie Smirke, Edgar Britt and Michael Beary."

She has inherited much of her father's business acumen. Sam Armstrong was the forerunner of the modern breed of trainers and travelled the world looking for owners. "He used to go to Kentucky and to Saratoga. And he was also the first from England to visit the Florida stables."

His daughter says that he remained, in temperament, "one of the old school — strict but very fair. You had to pull your weight to keep up, but he never expected anyone to work harder than him. And he was a brilliant organizer with fantastic attention to detail. I suppose I got indoctrinated by it."

She also became imbued with the competitive spirit. The Newmarket Town Plate used to be the only flat race for women riders in the days when she was a jockey. "The first time I took part, I was beaten a neck by Julie Murless. I was furious. Then I won it twice and the fourth time my horse broke a blood vessel." (Julie Murless, the daughter

of trainer Sir Noel Murless, was to marry Henry Cecil, one of the greatest of modern trainers.)

Her relationship with Piggott, the man who was to become champion jockey 11 times, began when she was 17 and he was 21. Characteristically, she doesn't really know how. "We were around together without being aware of each other. It just evolved. The racing world was very

'It is lonely at times. Not having someone to look after, that's where you feel it'

small in those days and once I had learned to drive a car I was off all over the place."

Her caution surfaces again when she declines to date their wedding anniversary, though it is well documented that they were married on February 22, 1960. She fears unwelcome publicity. She prefers not to discuss her visits to Piggott nor has she anything definitive to say about the reports of her husband being attacked during a prison game of badminton. She shrugs it off: "A lot of things get reported."

She does, however, give a typically precise, almost bureaucratic summary of the rules surrounding prison visits: "There's one monthly visit and one privilege visit in the same period. And on the visiting order it puts 30 minutes for the time allowed. The visit can consist of three people. But the visiting order has to be made out with the names of the people he wants to see. That has to be applied for by Lester one week in advance."

It is a far cry from a "normal" relationship, though she is at pains not to seek sympathy; she says that a few of the 3,000 letters that have come in "were from people who said 'you think you've got troubles, you should see mine'. What matters is that people took the trouble to sit down and write. And they are still coming in."

All the letters are read, occupying one part of a day that begins, in the winter, at 6.15am when she gets up. "I always ride out three lots (groups of horses) unless I have some other business to attend to. In the evening Joe Oliver, my head man and I go round topping up water buckets and straightening rugs before the night watchman arrives at nine. In the summer I get up in the quiet of the morning at 4.30. It gives me a chance to catch up on things."

She has withdrawn from the day to day running of Susan Piggott Bloodstock except for dealing with horses bought for Piggott, but she is even busier than before because of taking on her husband's workload. And it is a big responsibility: since Piggott took out his first trainer's licence, for the 1986 flat season, the stable has won 72 races and, last year alone — when Mrs Piggott already carried much of the workload because of Piggott's involvement with lawyers — collected more than £500,000 in prize money at home and abroad.

None of the activity and responsibility can compensate for Piggott's absence. "Of course it's lonely at times. It's not having someone to look after, that's where you feel it. Just being alone in the house, that I've got used to. But I saw to all his little needs and that's what I miss. Food and drink and hundreds of little things." Then, thoughtfully and gravely: "I compensate perhaps, by putting more time into the things he would have done."

A QC was reported to have said at Piggott's trial that "even his wife sometimes wonders if she knows and understands what makes him tick". But I left Newmarket with the feeling that if Mrs Piggott does not understand her husband, then nobody does.

The state of parenthood

I simply can't get an image out of my mind that appeared in a recent column of Auberon Waugh's in *The Spectator*. "My wife," he wrote, "had a governess who took to squashing hamsters against the wall with a huge wardrobe, saying 'That is what happens to little girls who do not clean their teeth'."

Children, I am told, do develop strong attachments to the people who take care of them in spite of the sometimes bizarre behaviour of nannies and the like. In the past, this presented few problems. A child might be coerced into cleaning her teeth by eccentric means but this did not lead to accusations of "emotional abuse". A child might be suckled by a wet nurse but this did not give the wet nurse "rights" to the child. Common sense, you might say. But somewhere in these past years, common sense seems to have got a little squashed along with the hamsters.

Last December Susan Schaeffer, a Florida circuit judge, gave a verdict in a child custody case. A baby, who had been born to a schizophrenic mother, had been made a ward of the state. Custody was given to the child's grandmother. By all accounts the grandmother had spent a life of blameless toil at the Florida National Bank, and was known for the particular sheen of her kitchen floors and her regular church attendance.

The grandmother hired a nanny for the child. This nanny did not squash hamsters. She was well-off, married, young and trying to adopt a child. By the time the child was 13 months old a court battle had begun. The nanny and her husband claimed they could give the child a better life and that she had formed a "parental" attachment to them.

The judge agonized. There was nothing in the grandmother's behaviour, she emphasized, that suggested that the grandmother was unfit.

It was simply a case of what was better for the child, materially and psychologically. She awarded custody to the nanny and her husband. I cannot believe such a case could occur in Britain. However, we seem generally to be about five to 10 years behind the Americans in their hysteria. Once the law decides that it can take a child away from a relative simply on grounds that it would be the "best" interests of the child, without the need to prove the family member unfit — and I don't care what the degree of the relationship is, aunt, sister or grandmother — the state has finally assumed complete control of the family.

Of course, I have never believed that one can compute all the factors that make up the "best" parents. Frankly, I don't know whether it is more or less money or the amplex of the bosom to which a baby is held. But let us suppose that Schaeffer's decision was correct and the nanny and her husband were the "best" parents. Does that mean that children can be redistributed the minute the state discovers someone who might be a better parent?

This American case, I believe, signifies a very major tendency towards statism — and a pretty neo-feudal form of it at that. Under the guise of children's welfare, the state is substituting its judgement for the judgement of the family or the circumstances of the family. And in the past few weeks



BARBARA AMIEL

the sad truth seems to be that even Mrs Thatcher is not immune to the siren call of statism. It is the Trojan horse of concern for our children that is gulling her, I think.

Britain's schools, we are told, are now to have special child abuse teachers ready to "spot" characteristics of abused children — nervousness, bad appetites, that sort of thing. Well, heaven knows, we must not avert our eyes from any child that is sexually or violently abused. But these days, whatever may happen to the science of child abuse in the future, I greatly fear that a specialist in it means a person who is too ready to attribute every drop in a child to abuse, vide the Cleveland madness.

Numerous cases on this in North America are horrifying. The children's consciousness is appropriately raised by videos on "abuse". Last month, in Ontario, a school janitor finally had sexual abuse charges dropped against him after he had caught one pre-teen girl neglecting her monitor duties and she retaliated by conspiring with five other little girls to charge him. Eventually, the five girls confessed. Frame-ups have become so common that one of the Ontario teachers' unions has recommended laying charges against children making false accusations. I think that is pointless. The problem is not solved by laying charges against the children, but by stopping this campaign of positive indoctrination about abuse that could turn into a weapon against families.

Child abuse is also the great new custody weapon. We have reached the point, one divorce solicitor explained to me, where if a woman's lawyer in a custody case does not make that suggestion, he is virtually professionally negligent. David Venables, the Official Solicitor, worries about it. "Three or four years ago, only 20 per cent of my cases involved allegations of sexual abuse; now only 20 per cent don't."

I wish the noise and fury were simply that we were such a caring society — and I suppose part of the reason the child abuse industry has grabbed Mrs Thatcher into its clutches is that in one sense we are. After one Jasmine Beckford, what forgiveness? But, you know, I think it is a smoke screen. The child abuse hysteria with its mushrooming armies of social workers, filmmakers, pamphleteers and legislators, is like the proof of an iceberg, bearing down upon the family.

It won't stop the tragedy of a Jasmine Beckford, but in "computing" the pros and cons of emotional, psychological and material well-being, it may well re-create the tragedy of that nice grandmother in Florida who is still wondering about the nanny that the state turned into a mother.

Mad, bad and still magnetic

On the bicentenary of his birth Lord Byron's (mostly female) 'fans' will be celebrating an enduring love affair

It is tempting to think of Byron as a sort of Regency version of a film star: the looks, the seduction, the scandals, the hype. Certainly no Hollywood heart-throb ever had so delicious a PR tag as "mad, bad and dangerous to know". Eliza Dangerfield, founder and director of the Byron Society, has no doubts about his magnetism. "Of all the Romantics, Byron is the one you'd want at a dinner party. We know from contemporary letters that when he walked into a room you couldn't look at anyone else," she says. "When he visited Madame de Staël, one of the French women fell down in a faint at the sight of him."

The aura persists. Today, on the bicentenary of his birth, the society has twice as many women members as men. "I think women understand Byron better than men do because he had a very feminine side to his nature."



Byronic good looks

tions with him. The current Lord Byron (a cousin's descendant) is president of the society. Michael Foot is vice-president, and there are 25 branches overseas.

pneumonia. Wasn't it, ironically, rather a wimp's death?

"Oh yes, it was absolutely terrible for him not to have died in action," Dangerfield says. "He should never have died, the doctors told him. It was reprehensible. He knew he was dying — and no woman beside him at all."

The society is now embarking on a year of celebrations beginning with a service in Westminster Abbey today and continuing with readings, tours, visits to Newstead Abbey and Harrow School, a festival in Nottingham and a Regency ball at Holland House.

Much of it is being masterminded by Dangerfield from her house in Chelsea, where she works with the help of two secretaries and the inspiration of countless portraits and memorabilia of the period. She has a robust attitude to the darker side of Byron's life, including his body debated homosexual tendencies. "I think he had these attributes. His letters make it plain that some of his greatest loves were

men, though how far it went I don't know."

And she has no truck with scholars who prefer a chaste version of his relationship with his half-sister, Augusta. This was the scandal that, combined with his debts, forced Byron to flee Britain. "I just can't believe intimacy didn't happen between two young people shut up together one winter who felt so passionately about each other."

Dangerfield has spent much of her own life alone. Her husband died after Dunkirk — "very dashing he was, the youngest naval captain of his day" — and a subsequent engagement also ended tragically in her fiancé's death.

She has never felt there was anything unusual about moving in this world of literary ghosts. "In a way I don't feel they're dead at all. I'm a great believer in the spirit living forever, especially when it has left such mementos."

Liz Gill

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Compiled by Peter Dear
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BBC1

- 6.00 **Ceejazz AM**.
6.35 **Edgar Kennedy** in Two for the Money (b/w). 6.55 **Westward**.
7.00 **Breakfast Time** with John Stapleton and Sally Jones. Includes national and international news at 7.00, 7.30, 8.00 and 8.30 regional news and travel reports at 7.15, 7.45 and 8.15 weather at 7.25, 7.55 and 8.25.
8.30 **Laverne and Shirley**. American comedy series. 8.55 **Regional news and weather**.
9.00 **News and weather** followed by **Open Air**. Eamonn Holmes receives viewers' comments on yesterday's television offerings. To contribute ring 081-514 0424 9.20 **Karey**. Robert Kilroy-Silk chairs a discussion on a topical matter.
10.00 **News and weather** followed by **Going for Gold**. Quiz series (r).
10.25 **Children's BBC**. Andy Crane with programme news and birthday greetings followed by **Play School** (r), and **The Wombles** (r).
10.55 **Five to Eleven**. A reading by Philippa Urquhart 11.00 **News and weather** followed by **Open Air**.
12.00 **News and weather** followed by **Daytime Live**. Magazine series. 12.55 **Regional news and weather**.
1.00 **One O'Clock News** with Michael Barker. Weather 1.30 **Neighbours**. Madge is about to discover something she never thought not know.
1.50 **Film: Hello, Frisco, Hello** (1943) starring Alice Faye and John Payne. Musical tale, set in San Francisco at the turn of the century, about a saloon bar entertainer who becomes a celebrated singer. Directed by Bruce Humphries.
3.30 **Afternoon News** with Margo MacDonald with advice on citizens' rights 3.40 **Lifeline**. Charity news and an appeal on behalf of the Cystic Fibrosis Research Trust (r).
3.50 **Comers**. Young people's questions answered 4.10 **Superstar** (r). 4.15 **Jeopardy**. News Highlights with the fifth tale from *The Wrestling Princess*, by Judy Corballe.
4.30 **Survival Challenge** presented by Richard Crane. Representatives of the Girls' Brigade, the Girl Guides Association, the London Federation of Boys' Clubs and the Scout Association try to make a rucksack from a plastic bag, string and three sticks.
4.55 **Newsround**. Edna. Two teenage newshounds report on a campaign to bring fresh water to remote Sudanese villages 5.10 **Grange Hill**. Episode six of the 20-part serial. (Ceejazz) 8.35 **Neighbours** (r).
6.00 **Six O'Clock News** with Sue Lawley and Philip Hayton. Weather. 6.35 **London Plus**.
7.00 **Wogan**. On the guest list are Mary Martin, Tracy Ullman and the former Hilda Crane. Jean Alexander. Music is provided by Feargal Sharkey.
7.40 **Blankety Blank**. Les Dawson's guests are Norman Collier, Vince Hill, Joe Longthorne, Wendy Richard, Anne Robinson and Tessa Sanderson. (Ceejazz).
8.15 **Dynasty**. A new series begins with Blake and his family held captive. Alexis facing a watery grave and Fallon trying to find the desert. (Ceejazz).
9.00 **Five O'Clock News** with Mary Lewis and Debbie Thwaiter. Regional news and weather.
9.30 **Rocky Horror Show**. A young man with red hair threatens the Hargreaves. (Ceejazz).
10.10 **Life Story**. An award-winning Horizon special, starring Jeff Goldblum and Tim Pigott. Directed by Jim Wadsworth and Francis Crick, about the race to discover DNA (r). (Ceejazz).
12.10 **News** The Cuck in Concert at London's Britten Academy.
12.40 **Weather**.

BBC2

- 9.00 **Ceejazz 9.30 Daytime on Two**. Industrial changes in the Cornary Firth 9.52 **Look and read** 10.15 **A modern Scottish farmyard** 10.38 **Information technology** 11.00 **Storytime** 11.18 **Mondomaniac** 11.35 **Past and present** 11.55 **Scotland** 12.00 **The work of television playwrights** David Leland and Alan Bleasdale 12.35 **The workings of a juvenile court** 1.00 **France and the French** 1.20 **Two programmes for the year** 2.00 **News and weather** followed by a series for four- and five-year olds.
2.15 **Sport on Friday** featuring squash and snooker. Includes news and weather at 3.00 and 3.30.
4.00 **Catchword**. 4.30 **River Journeys**. The Nile (r). (Ceejazz).
5.30 **Film: Sherlock Holmes** in Washington (1943, b/w) starring Basil Rathbone and Nigel Bruce. The super sleuth and his assistant once again solve the confidential papers disappear. Directed by Roy William Neill.
7.10 **See Gypsey**. An award-winning film about a young photojournalist who dreams she is in a magical world beneath the sea.
7.30 **Scene Play: Baby I Love You**. A drama about a young mother, her baby son and the child's father, living with the mother's parents (r).
8.00 **The Friday Report: Bumper to Bumper**. Is a super traffic jam an inevitability?
8.30 **Comers**. World in Holland. A report from the Flora Nova.
9.00 **The Tracey Ullman Show**. Among the guests are Julie Kavanagh and Steve Martin.
9.25 **Ausens**. Broadway's Great White Way (see Choice).
10.20 **Newsnight** includes an interview with Austrian President Kurt Waldheim 11.05 **Weather**.
11.10 **Film: The Verdict** (1971) starring Kirk Douglas. The story of a composer, convalescing in Venice, who becomes obsessed with a beautiful young boy who epitomizes the Italy he has been seeking all his life. Directed by Luciano Visconti. (Ceejazz) Ends at 11.50pm.
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● **AMMAN:** Jordan and the Palestine Liberation Organization are to restart a long-interrupted political dialogue this month, sources on both sides said yesterday (Reuters reports).

The Secretary of State for Defence pointed out that the figures for estimated savings did not include the forecast £770 million saved by having British missiles processed in the US facility at Kings Bay, Georgia.

The last Iraqi dissident assassinated in London was General Abdul Razzaq al-Nayef, who was shot dead in front of the Inter-continental Hotel in 1978. The mutilated body of another Iraqi, Mr Majid Abdul-Karim, was found in woods near Stockholm in 1985.

He said that Mr Moore had not contacted them directly, but it was evident from his speech in the Commons on Tuesday and the figures in the White Paper on Wednesday that consultations were not going on.

Today, however, Sir Geoffrey is to argue that the Government should not be

A Conservative backbencher criticised the Opposition for neglecting the good news from the NHS. He himself welcomed the new maternity unit at St Helier. Conservative backbenchers, always adept at finding new ways to flatter their hosts, have been slow with their compliments over the NHS, perhaps believing that, like an ungainly nose, it is probably best avoided, even if, by chance, one nostril is particularly well-curved.

Twenty three arrests were made during the rally.

● The introduction of an 18-week limit for abortions could lead to an increase in the

25 Like a cat's cradle, hard to ex-
plain (6)

26 Caught sight of French art,
particoloured (6).

27 They don't usually stand up to
the cheese (8).

DOWN

2 The companion I love in Rome
is a wild creature (7).

3 He serves little Arthur during
drinking bout (9).

4 Gaoled drunken ancient (3-3).

5 His turn came when he was
summoned by bells (4,11).

6 No Scots capture push country
mansion in revolt (8).

7 The last judgement — record it
on Herbert (7).

8 Canine check (4-5).

9 Collect material for concrete (9).

10 It's not alphabetical, that's ob-
vious of course (5,4).

11 Having just married Wendy, we
left to change (5-3).

12 Perhaps prove to be superior (7).

20 One of the toasts that may be
offered with 15 (7).

21 Come to stir (6).

DEAVE
a. To dig
b. An angled crowbar
c. To deafen
CARICATURE

OMPHALOS
a. A breast-plate
b. A type of bean
c. The navel

IFFLAND
a. A Shire of the Hobbits
b. A German actor
c. Water meadows

Solutions page 18, column 1

Solution to Puzzle No 17,571

The grid is a 15x15 crossword puzzle. Black squares are located at the following coordinates (row, column): (1,2), (1,3), (1,4), (1,5), (1,6), (1,7), (1,8), (1,9), (1,10), (1,11), (1,12), (1,13), (1,14), (1,15), (2,1), (2,2), (2,3), (2,4), (2,5), (2,6), (2,7), (2,8), (2,9), (2,10), (2,11), (2,12), (2,13), (2,14), (2,15), (3,1), (3,2), (3,3), (3,4), (3,5), (3,6), (3,7), (3,8), (3,9), (3,10), (3,11), (3,12), (3,13), (3,14), (3,15), (4,1), (4,2), (4,3), (4,4), (4,5), (4,6), (4,7), (4,8), (4,9), (4,10), (4,11), (4,12), (4,13), (4,14), (4,15), (5,1), (5,2), (5,3), (5,4), (5,5), (5,6), (5,7), (5,8), (5,9), (5,10), (5,11), (5,12), (5,13), (5,14), (5,15), (6,1), (6,2), (6,3), (6,4), (6,5), (6,6), (6,7), (6,8), (6,9), (6,10), (6,11), (6,12), (6,13), (6,14), (6,15), (7,1), (7,2), (7,3), (7,4), (7,5), (7,6), (7,7), (7,8), (7,9), (7,10), (7,11), (7,12), (7,13), (7,14), (7,15), (8,1), (8,2), (8,3), (8,4), (8,5), (8,6), (8,7), (8,8), (8,9), (8,10), (8,11), (8,12), (8,13), (8,14), (8,15), (9,1), (9,2), (9,3), (9,4), (9,5), (9,6), (9,7), (9,8), (9,9), (9,10), (9,11), (9,12), (9,13), (9,14), (9,15), (10,1), (10,2), (10,3), (10,4), (10,5), (10,6), (10,7), (10,8), (10,9), (10,10), (10,11), (10,12), (10,13), (10,14), (10,15), (11,1), (11,2), (11,3), (11,4), (11,5), (11,6), (11,7), (11,8), (11,9), (11,10), (11,11), (11,12), (11,13), (11,14), (11,15), (12,1), (12,2), (12,3), (12,4), (12,5), (12,6), (12,7), (12,8), (12,9), (12,10), (12,11), (12,12), (12,13), (12,14), (12,15), (13,1), (13,2), (13,3), (13,4), (13,5), (13,6), (13,7), (13,8), (13,9), (13,10), (13,11), (13,12), (13,13), (13,14), (13,15), (14,1), (14,2), (14,3), (14,4), (14,5), (14,6), (14,7), (14,8), (14,9), (14,10), (14,11), (14,12), (14,13), (14,14), (14,15), (15,1), (15,2), (15,3), (15,4), (15,5), (15,6), (15,7), (15,8), (15,9), (15,10), (15,11), (15,12), (15,13), (15,14), (15,15).

Times are GMT

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...the fact that the *in vitro* and *in vivo* results are in good agreement.

السنة الثالثة

FRIDAY JANUARY 22 1988

Executive Editor
David Brewerton

STOCK MARKET

FT 30 Share
1404.0 (-5.2)

FT-SE 100
1747.2 (-5.6)

Bargains
25150 (23393)

USM (Datastream)
144.25 (-0.31)

THE POUND

US dollar
1.7960 (+0.0045)

W German mark
2.9876 (+0.0155)

Trade-weighted
74.9 (+0.1)

M&G lifts
profits
by 50%

M&G Group, which looks after more than £5 billion of other people's money, most of it in unit trusts, has lifted its profits by 50 per cent to £15.69 million on the back of booming share prices. But the slump in world stock markets three weeks later means it is unlikely to make the same profits this year, the company says.

The phenomenal rise in prices over the 12 months lifted the value of the unit trusts run by M&G from £2.61 billion in September 1986 to £4.25 billion.

Earnings were 53 per cent higher at 20.73p a share, and shareholders can expect a final dividend of 4p a share, making 7p for the year against 5.25p before.

Temps, page 22

Mountleigh
bid bill

Mr Tony Clegg's Mountleigh Group, which made an abortive takeover bid for Sir Terence Conran's Habitat-BHS-Mothercare Storehouse group last year, is sitting on an unrealised £7.7 million paper loss because of the difference in what it paid for Storehouse shares and what those shares are worth now. The bid cost Mountleigh just over £1 million in fees.

Mountleigh reported interim pretax profits for the six months ended October 31 of £35.4 million compared with £13 million previously, and raised its interim dividend from 1p to 1.25p.

Temps, page 22

SUMMARY

STOCK MARKETS

New York
Dow Jones 1873.18 (-5.96)
Tokyo
Nikkei Average 22710.28 (-192.88)

Hong Kong
Hang Seng 2412.32 (-71.57)
Australia
All Ordinaries 2122.22 (-18.4)

Frankfurt
DAX 1226.2 (-13.7)
Brussels
General 3945.8 (-4.8)
Paris
CAC 3552.2 (-5.3)
Zurich
SIX 408.9 (-0.6)

London
FT-30 Share 1404.0 (-5.2)
FT-100 1747.2 (-5.6)
FT-100 Index 1747.2 (-5.6)
FT-100 Dividend 1747.2 (-5.6)

Recent Issues
Page 22

Closing Prices
Page 25

MAIN PRICE CHANGES

RISERS
Cairn Group 552.4p (+23p)
Allied Textile 383p (+23p)
Davies & Newman 425p (+23p)

FALLS
Atlantic Comp 405p (-38p)
Henderson Admin 855p (-40p)
Smith New Court 157.5p (-20p)

INTEREST RATES

London Bank Base 8 1/4%
3-month interbank 8 1/4%
3-month eligible bills 8 1/4%
buying rate
US Prime Rate 8 1/4%
Federal Funds 6 1/4%
3-month Treasury Bills 5 7/8-5 7/16%
30-year bonds 10 1/2-10 3/4%

CURRENCIES

London New York
£/\$ 1.7960 (+0.0045)
£/DM 2.9876 (+0.0155)
£/Sfr 2.4222 (+0.0155)
£/Yen 162.40 (+0.0155)
£/Yen 162.40 (+0.0155)
£/Yen 162.40 (+0.0155)
£/Yen 162.40 (+0.0155)

GOLD

London Fixing
AM \$476.50 pm \$477.20
close \$477.25-477.75 (2265.25-265.75)
New York
Comex \$477.20-477.70

NORTH SEA OIL

Brent (Mar.) pm \$16.90/bbl (\$16.50)
Derivatives latest trading prices

'False trails' at Guinness

High Court told of altered documents

By Lawrence Lever

Guinness has uncovered documents and transactions relating to its £2.7 billion takeover of Distillers which it claims are "spurious", "fictitious" and which "camouflaged" the truth, the High Court heard yesterday.

The claims came on the fourth day of the company's challenge to a ruling by the Takeover Panel that it breached the Takeover Code in the final stages of its bid for Distillers.

Notes of the evidence which Mr Sean Dowling, a Guinness director, presented to the Panel last September were read in court yesterday by Mr David Oliver QC, counsel for Guinness. Mr Dowling told the Panel Guinness was "aware of a number of transactions that were decorated after the event".

Mr Dowling said the documentation supporting some of the "notorious" £25 million in fees paid out after the Distillers takeover was rewritten in November 1986 - the month before Department of Trade and Industry inspectors moved into the company.

Highlighting a Guinness payment to Zentralparkasse,

the Viennese bank, Mr Dowling said: "The arrangements took place in May and June but the paperwork was rewritten and presented in November."

Documents relating to another payment - to a company called Cifo - were also changed, Guinness claimed.

"Guinness have admissions that all the paperwork concerning the purposes of the (Cifo) payments made were subsequently changed in November."

On the question of a £52 million payment made by Guinness to Mr Thomas Ward, a former director, via a Jersey company, Guinness said: "A false trail was laid by Ward over 300 transactions."

The purpose of the Guinness revelations to the Panel - disclosed to the High Court yesterday - was to cast doubt on the validity of documents supplied by the Swiss Bank, Bank Leu.

The Panel claims that the bank purchased a vital block of 10 million Distillers shares on the eve of Guinness winning control of Distillers. The

shares were voted in favour of the Guinness bid.

The Panel asserts that the bank was acting in concert with Guinness who therefore breached the Takeover Code. Guinness considers that this could lead to the Panel ordering it to pay an extra £100 million to former Distillers shareholders.

Guinness claims that the Panel had insufficient evidence to find that it was acting in concert with Bank Leu in breach of the Code.

Guinness also sought to cast doubt on evidence that Mr Ward gave instructions to Bank Leu to buy the 10 million shares.

Guinness said in its formal written submission to the Panel which was also read out in court yesterday: "Mr Ward is not in the view of Guinness wholly trustworthy and has shown a readiness to decorate transactions and clothe an underlying reality by facade or sham."

Guinness says that it believes Mr Ward was involved in the creation of a "camouflage" relating to the transfer of a flat in Washington into his name.

Distillers bid 'threatened'

The Takeover Panel might well have forced Guinness to drop its bid for Distillers, had it known of the alleged circumstances behind the controversial purchase of 10.6 million Distillers shares on the penultimate day of the takeover bid for the Scotch whisky group.

Mr John Walker Haworth, the then director general of the Panel, said in an affidavit read to the court yesterday: "The Panel executive would have acted to stop Guinness's offer becoming unconditional while the Panel met to consider the situation."

"One of the options available to the Panel would have been to seek to ensure that

Guinness's offer never became unconditional and so lapsed."

He explained that the Takeover Code would not have allowed Guinness to revise its offer because no revision is possible in the last 14 days of a takeover bid.

Representatives of Clifford Chance, solicitors to Argyle, the disappointed rival in the battle for Distillers, were in court again yesterday as they have been throughout the hearing, taking copious notes.

The court also heard an affidavit from Mr Robert Alexander QC, the current chairman of the Takeover Panel. He set out the reasons

why the Panel had ruled that Piretco, the subsidiary of Bank Leu and alleged purchaser of the Distillers shares, was acting in concert with Guinness.

"The combination of circumstances" pointed to acting in concert. These included the fact that both Cazenove and Morgan Grenfell, Guinness's broker and merchant bank, had considered it unlikely they could find a purchaser for such a large block of shares, and the close relationship between Bank Leu and Guinness.

He also highlighted a £50 million deposit that Guinness had subsequently placed with Bank Leu.

BAT offer rejected by Farmers

By Alison Eadie

BAT Industries, the tobacco, financial services, retailing and paper group, expressed surprise and disappointment at the rejection of its \$4 billion (£2.3 billion) cash offer for Farmers Group, the Los Angeles insurance company.

Farmers snubbed BAT's offer after a three-hour board meeting late on Wednesday.

Mr Leo Denlea Jr, Farmers chairman and chief executive officer, said the board viewed the \$60-a-share offer as inadequate and added that the company was very optimistic about its continued growth and future prospects.

BAT's share price fell back by 16p to 419p yesterday as the market realized the company would probably have to raise its offer to secure its bid target, and as analysts downgraded estimates of the company's 1987 profits.

'Traumatic cuts' feared by Phelan

From Bailey Morris, Washington

Mr John Phelan, the chairman of the New York Stock Exchange, expects to see a "traumatic" rationalization of London's securities industry after October's market crash. In an exclusive interview with *The Times*, he said London was much more "over-built" than New York, where thousands were being laid off in the wake of Black Monday.

The retrenchments he foresees in New York and London would be accelerated if small investors remained on the sidelines because of a loss of confidence. This could lead not just to a flattening of the bull market which began in 1982 but an actual downturn, he said. Measures to restore the confidence of individual investors must be a priority for all exchanges.

Mr Phelan said he expected a massive restructuring of the securities industry over the next five to 10 years in both

New York and London.

A few large firms would be heavily concentrated at the top of the pyramid and a large number of new firms, offering both "boutique" services and other specialties, would be concentrated at the bottom. Middle-size firms would gradually be pushed out.

In a move to restore public confidence in markets, the NYSE plans to extend for up to one year the voluntary curbs it has imposed on computer program trading, said Mr Phelan.

The recent 140-point plunge in the market, following the earlier crash on Black Monday, had put strong pressure on the exchange to institute major reforms.

Trading would be halted in cases when the shares rise or fall, for example, by 30% in one day, Mr Phelan said.

Wall St mission, page 24

Former ICI chief's strong message silences US laughter

Sir John talks tough to America

By Carol Leonard

Sir John Harvey-Jones, the former chairman of ICI, has hit out at American business for continuing to use business concepts "that were successful at the Battle of Waterloo."

Wearing an uncharacteristically sombre tie, he was speaking at an American Chamber of Commerce luncheon in London, and his remarks quickly quelled the laughter that had greeted his opening wisecracks.

His staunchly patriotic American audience sat in stony silence as he told them that the world had changed, that American companies were going to have to learn to be competitive in a truly global market, and that "the future depends upon it."

For the first time, he said, British companies were able to show their American counterparts the way. "I never thought it would be possible for a British industrialist to be able to offer help and advice to the US, but it is a situation where we now have some experience - we have already shot those rapids."

"Just when the dollar was strongest, and when you should have been using that strength to invest in Europe and other countries, you were disenchanted and began to pull out. It is interesting to watch the way the Japanese are reacting - they are investing in the US so fast, and we are doing the same. If the rest of



Sir John: 'Times have changed'

us think the US is a good place to be, why have Americans lost confidence?"

For 20 post-war years America had, he said, been an industrialist's dream. "You enjoyed a situation whereby anything made in the US would be bought elsewhere in the world. But times have changed."

Citing ICI as an example, Sir John said it had had to re-examine every one of its values. "We were operating in a home market that could not sustain, in its own right, a world competitive company. We had to do a lot of 'down-sizing'."

American companies are now having to do the same. It involves getting rid of overmanning and over-management - cutting out layers of management - sharpening up strategies and eliminating controls."

American companies, he complained, often dismissed "the rest of the world" to an "international department", which was definitely considered to be of secondary importance to the domestic market. And they failed to realize that the packaging and marketing of a product could not be the same for all markets.

"The cliché that the world is a single market is, in reality, not true. Each market requires different responses and it is the ability to read that response and apply that response which will be the key."

Attempting to round off the proceedings on their earlier more humorous note, Mr Charles Alexander, the president of the Chamber of Commerce, presented Sir John with a lurid yellow kipper tie.

"I feel suitably chastened," quipped Sir John. "In choosing my tie today I was attempting not to be too way out, for I had always considered this to be a conservative organization. I'm absolutely thrilled to think that you are all going to be wearing one of these next year."



Double take: Greg Melghard (left) and Basil Sellers of Gestetner with their new laser printer (Photograph: John Rogers)

Copier profits double to £20m

By Carol Ferguson

Gestetner, the office equipment group which came under the control of AFP, an investment company listed in Australia just over a year ago, yesterday unveiled the results of its new masters' far-reaching reorganization programme. Pretax profits before exceptional credits rose by 134 per cent to £20.6 million,

while fully diluted earnings per share more than tripled to 20.8p.

Mr Basil Sellers, Gestetner's chairman, confirmed that the market for stencil copiers is in long-term decline, and that the market for offset machines is static. Together, these products account for half of turnover.

However, the group will be

seeking to increase its world market share for copiers from its current level of 1.5 per cent.

"A copier is a copier, and we need to do something better than our competitors," Mr Sellers said yesterday. "We plan to differentiate ourselves by putting the emphasis on service. The company has not historically been good at service, although it had a good

reputation for service."

Gestetner's effective tax rate fell to 21 per cent compared with 50 per cent last year. Mr Sellers said that Gestetner was now profitable in every country it operated in and was able to start using some of its £20 million of tax losses.

Temps, page 22

Birmid stays over offer price

By Alexandra Jackson

Shares in Birmid Qualcast, the boilers, cookers and lawnmowers group, remained 10 per cent above the 300p price offered by Blue Circle Industries, the cement and sanitaryware group, following Birmid's unveiling of a 73 per cent annual profits jump.

Birmid reported pretax profits of £22.6 million for the year to end-October and promised further progress this year to at least £28 million.

Mr David Poole, group managing director of Blue Circle, said: "These figures are in line with our expectations, so are no surprise. We note that Birmid's 1987 figures are boosted by a £2.4 million pension fund holiday and the elimination of £1.1 million of engineering losses."

Adjusting for a possible full-year contribution from New World of £2.5 million, he explained: "The growth in 1988 is a less impressive 17 per cent."

"However, we are studying the figures in more detail to see whether they justify a reconsideration of our offer."

Blue Circle is free to increase its offer until the end of next week. At present, the £217 million bid values Birmid on 12.7 times historic earnings of 23.6p and 11.7 times current year earnings, forecast at 25.7p.

Birmid has declared a final dividend of 6p, giving a 63 per cent rise for the year to 7.75p.

Comment, page 23

Bank lending soars £4.9bn

By David Smith, Economics Correspondent

Bank lending surged by £4.9 billion last month, matching the record rise of the previous July. The figures rekindled City worries about excessive credit growth, although analysts do not expect the figures to provoke a rise in base rates.

The sharp rise in bank lending, which compared with a £3.2 billion increase in November, may have been boosted by bill arbitrage, as companies took advantage of the difference between bank base and money market interest rates.

The Bank of England, as is customary, denied that this was a factor, but estimates by

Greenwell-Montagu, the gilt market-maker, suggested this could have added at least £500 million to bank lending.

Bank lending may also have been increased by a switch by companies from foreign currency into domestic borrowing, and the fact that companies may have been forced to seek finance from their banks after the stock market crash temporarily closed off the City as a source of capital.

In spite of the large bank lending figure, the rise in broad money, M3, was a modest 1.4 per cent, largely because of a £4 billion

contraction in the "other counterparts." This would square with a switch into sterling lending.

Even so, M3 was 22.8 per cent up on a year earlier, compared with a 21.7 per cent increase in November. Narrow money, M0, which is targeted within a 2 to 6 per cent range, rose by 0.9 per cent in December, for a 12-month rate of growth of 4.2 per cent.

The West German Bundesbank announced a change in its target monetary aggregate from Central Bank Money Stock to M3. M3 will be targeted within a 3 to 6 per cent range this year.

Consumer spending boom weakens

By Our Economics Correspondent

The consumer spending boom faded in the final quarter of last year, official figures published yesterday showed. There was a rise of just 0.1 per cent in the volume of spending, after a 2.5 per cent third quarter rise.

The growth in consumer spending compared with a year earlier slowed to 5.2 per cent, after a 5.8 per cent third quarter increase.

The Central Statistical Office said the slowdown in consumer spending was great-

er than that implied by the retail sales data, because car sales were relatively weak after a very strong third quarter performance.

The slowdown in consumer spending fits in with other data suggesting a weaker growth rate for the economy at the end of last year, possibly reflecting the effects of the October stock market crash.

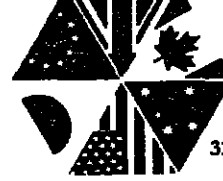
The slowdown has reduced worries that the economy is overheating, and that the deterioration in Britain's bal-

ance of payments this year will be dramatic. But the financial markets are still waiting with trepidation for the latest trade figures, next Thursday.

For last year as a whole, consumer spending was up by 5 per cent, compared with a 6 per cent rise in 1986.

The slowdown in consumer spending in the fourth quarter is likely to have produced a recovery in the saving ratio. In the third quarter, personal saving dropped to a 30-year low.

SCHRODER GLOBAL TRUST PLC



THE Annual General Meeting was held at 36 Old Jewry, London EC2, on Thursday 21 January 1988. The following are extracts from the Report and Accounts for the year ended 31 October 1987.

1987 HIGHLIGHTS			
Per Ordinary Share	1987	1986	Change
Earnings	4.63p	4.30p	+7.7%
Dividends	4.40p	4.25p	+3.5%
Net Assets	238.7p	265.1p	-9.9%

POLICY AND STRATEGY
To achieve the best possible overall return of capital and income, the Company aims to maintain maximum flexibility in order to move between markets and investments.

OUTLOOK
The great bull market of the 1980's has ended abruptly. A natural period of doubt has ensued. But many measures of long-term value would seem to indicate that the fall in world markets has already discounted a significant fall in world growth rates. Thus, while this may not be a time for robust forecasts, we believe that the year ahead will provide opportunities for the level-headed to capitalise upon uncertainty and find attractive investments at sensible prices.

Schroder Investment Management
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BHP beats predators with Aus\$6bn restructuring

From Richard Battley, Sydney

BHP yesterday rid itself of its two main predators in a record Aus\$6 billion (£2.4 billion) restructuring plan, ending the most bitterly contested takeover battle in Australia's history.

Mr Robert Holmes & Court of Bell Resources will dilute his shareholding to a non-threatening level and his arch-rival, Mr John Elliott of Elders IXL, yields control of his group's stake in BHP. Both surrender their board seats.

The bold plan, announced after close of trading, ends a four-year fight for control of the oil, mining and steel conglomerate.

Its main points are:
● Mr Holmes & Court sells 300 million BHP shares at Aus\$7 (20 cents below yesterday's closing price) for Aus\$2.1 billion, incurring a loss of Aus\$296 million, excluding tax benefits. This leaves him with 10 per cent of BHP and he has agreed not to raise this unless he makes a

full cash takeover bid.
● BHP will cancel those shares, being about 20 per cent of its capital.
● Mr Elliott sells Elders's 19 per cent BHP holding for Aus\$2.1 billion to Beswick Pty, a joint venture between Elders and BHP.

● Both BHP and Elders will inject Aus\$575 million each into Beswick, leaving Elders with a cash benefit of about Aus\$1.6 billion.

● BHP also will sell 200 million Elders shares, about 13 per cent of the pastoral-breeding conglomerate, for Aus\$700 million to Harlin Pty, a company controlled by Mr Elliott and fellow senior Elders executives.

Mr Holmes & Court yesterday avoided journalists and last night flew to his home city of Perth.

Mr Elliott, meanwhile, told the Press: "Elders will not suffer any loss."

"It (the pact) will allow the redeployment of a very large

sum in areas of Elders's business expertise where Elders would have control and direct access to cash-flows at a time when there are many attractive opportunities available."

"At the same time, Elders maintains an indirect investment in BHP with significant long-term potential."

Mr Brian Loton, managing director of BHP, the manipulated turned manipulator, revealed it was BHP which initiated the restructuring, fearing further destabilization of its register after the stock market crash.

"We have been concerned about the effects any dispersal of the major shareholdings (Bell and Elders held almost 50 per cent) would have had on the market for our shares," the company said.

"The restructuring satisfies these concerns. It will enable BHP to derive increased value from the company's core assets and to benefit from

increased earnings a share."

Mr Loton said it was a good, negotiated settlement that was in the interest of all shareholders. "The negotiations were protracted and testing but the outcome was the practical solution," he said. "It's end game. It's stability."

The total cash outlay by BHP under the agreement is Aus\$2.675 billion. This would be borrowed and arranged had been made with at least one banker, the ANZ.

Mr Loton added that the joint venture company would be 50 per cent owned by BHP, 49.9 per cent by Elders and the balance by ANZ Trustees.

The veteran Holmes & Court watcher, Dr Ian Story, of BZW Meares, the stockbroker, believes the Bell chief will use the Aus\$2.1 billion, plus the Aus\$2.6 billion he raised in earlier asset sales, to reduce debts. This will leave Bell, Dr Story says, with a cash surplus of Aus\$320 million.

Tricentral valued at £206m by ERC

By David Young
Energy Correspondent
ERC, the independent energy consultancy, has put a higher value on the oil assets of Tricentral, the independent British oil company which is the subject of a £136 million takeover bid from Elf, the French state-owned oil company.

The valuation — by the same company which has put a value of 69p on the shares of Britoil in comparison with the current bid of 450p a share from BP — puts a price on Tricentral of £206 million after dilution.

However, last night the City remained sceptical about the ERC figures and Elf continued to argue that its offer of 145p a share for the company is more than generous and that its own independent valuation of the Tricentral assets put them nearer the 80p share price which Tricentral was attracting in November when the Elf bid was launched.

Tricentral's reply is that the ERC figures have been compiled on the basis of detailed information which the Elf analysts do not have.

Its shares are now trading at 163.5p. More than 5 million changed hands yesterday.

The ERC valuation of Tricentral at £206 million is based on an oil price of \$18 a barrel this year, rising to \$27 in 1994.

It is also based on a dollar worth \$1.80 to the pound this year and \$1.50 in 1994.

The projections also assume that Tricentral will continue to have Petroleum Revenue Tax allowances for exploration and development worth £10 million a year.

However, the City regards these parameters as optimistic.

Analysts said yesterday that they have no argument with the ERC arithmetic, but question the price assumptions it has been asked to make by Tricentral.

Tricentral repeated yesterday that it still has firm proposals before it to re-finance its Wyth Farm on-shore developments, to pay off existing debt and to finance its offshore gas developments in the southern sector of the North Sea.

Elf, however, said last night that Tricentral has still not obtained a committed re-financing package and that it will be writing to Tricentral's existing shareholders with its response to the new valuation. The Elf offer closes next Tuesday.

COMMENT Early sign of a fading property market

Little companies were offered big money to invest in property at the tail end of last year, and the signs of an overheated property market are unmistakable in the bank lending figures. In December, clearing bank lending to property companies increased by £527 million, which is an annualized rate of over £6 billion.

Lending to property companies is a tap which, once turned on, is hard to turn off again. The figures which crop up in the returns are merely the amounts drawn down in any particular month. They do not disclose the arrangements for future loans which may run into many times the amounts actually handed over during the particular month. Property development is a long-winded affair, and the banking returns do not distinguish between a loan made for the purchase of a site, which will be taken out at the start of a project, and the loan for putting down the fitted carpet at the far end of the development process. But the indications are that the figures now coming to light represent loans towards the beginning of the cycle, rather than towards the end. In other words, the numbers are likely to carry on rising even if development activity tails off.

Bank of England returns at the end of November, for all banks not just the UK clearers, showed lending to property companies up by more than 40 per cent to more than £13 billion in a year. By the end of this year the figure could reach £20 billion.

That is not necessarily cause for alarm. But it is cause for caution. The sensible property companies, and there are far more of them in 1988 than there were in 1972, are already limiting risk wherever possible. Many, such as London & Metropolitan and Peachey, raised finance before October 19 and find themselves sitting with well-funded balance sheets well able to carry a downturn in the letting market. But others are less secure, with some of the developer/traders carrying potential financing burdens of many times the capital base. Some unquoted companies which had geared up ready for flotation, but find the equity market unresponsive, have real problems.

The property market lags behind the equity market but rarely apes its precise movements, since it takes a lead from the gilt-edged market too. But the failure of seven central London flats to reach their reserve price when put up for auction this week is a signal to heed.

Pre-crash investment

Bank of England figures also showed just how fully invested the institutions were before Black Monday. Purchases of UK equities totalled £3.86 billion in the third quarter of last year, only just below the record

£4.14 billion of the previous quarter, with these two figures standing head and shoulders above earlier figures.

The pension funds appear to have positioned themselves particularly badly for the crash. They put £2.41 billion into equities, at the same time running down their holdings of gilts by £850 million.

The other notable support for the pre-crash equity market was the unit trust industry, which boosted investment in UK equities to a record £1.47 billion in the third quarter. The other side of that particular coin was, of course, the massive £2.93 billion inflow into unit trusts from hapless investors.

Miserly Blue Circle

Blue Circle needs to beef up its management team if it is to become a worthwhile force at the "light" end of the home improvement market, so to pay up and get an agreed bid, putting Birmid Qualcast's management "on side" would be a good start. But it will not do so with the current miserly 300p-a-share bid.

The £2.4 million reduction in Birmid's pension fund contribution after last spring's revaluation (it will be worth £3 million in a full year), will last until the end of the decade. About £2 million of loss elimination from divestments in engineering, kitchen furniture and plastics are the early fruits of Peter Prateley's labours.

To restructure Birmid and improve profitability were initiatives he put in place before Hepworth Ceramic's bid last year although once that predator reared its ugly head, Birmid's management keenly felt the need to perform.

Recent acquisitions strengthen Birmid's position in ceramics and consumer durables and have improved the earnings profile. More focused marketing and tighter operating methods, supported by a steady programme of capital investment, are improving profitability.

Even taking into account the exceptional factors, Birmid's earnings growth is far from dull. The group is optimistic about its future potential, particularly in markets which fall under the home products umbrella.

Birmid's gearing, at 16 per cent, will enable it to develop organically and by acquisition. It does not need a larger group to be its banker.

The mood and management style at Blue Circle may have changed but the results have not yet come through. It is not clear, therefore, what BCI would add to Birmid, and certainly not at this price.

CBI call for investment boost

By David Smith

Economics Correspondent
The Confederation of British Industry yesterday called for action in the Budget to boost investment and training, and cut higher rates of income tax.

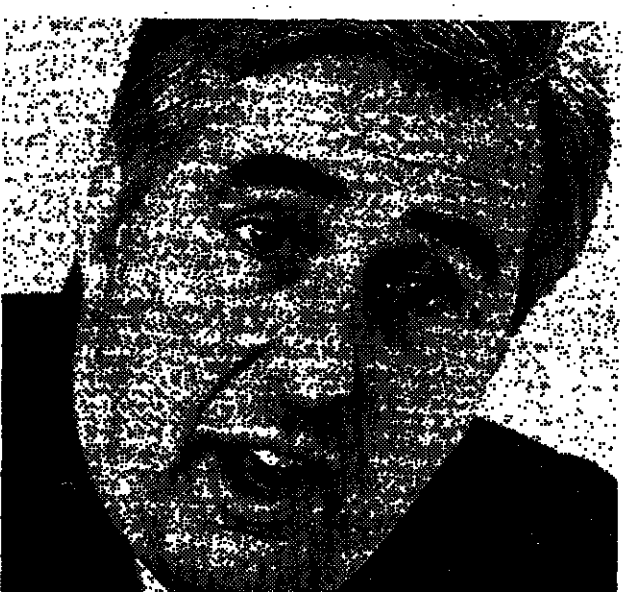
Closing the investment gap with competitor countries was an urgent priority, as well as tackling the emerging problem of skill shortages, the CBI leaders said.

Mr John Banham, the CBI director-general, said that with numbers of school leavers declining, Britain was heading into a labour shortage over the next few years.

The CBI call is a departure from its normal pre-Budget practice of presenting a detailed package for the Chancellor to consider.

At Mr Banham's instigation, the CBI has instead concentrated on priorities for business in a report called *Maintaining the Momentum of the Economic Recovery*, which conveniently stays out of the debate over tax cuts versus increased health spending.

The CBI said that Britain invests £700 a year less per employee in manufacturing



Britain heading into era of labour shortages: Banham

than Germany, and that there is also a substantial gap in research and development expenditure, with Germany spending almost twice as much on civil research and development.

"UK plc needs to invest at a much higher level," Sir David Nickson, the CBI president, said.

Sir David said most members favoured reductions in corporation tax rates rather than additional allowances.

The report says that, since 1983, there has been a real increase in business taxation from all sources of £8.5 billion, four times the real increase in the tax take from

personal income tax over the same period.

Profitability of British industry, with gross operating profit running at 8 per cent of gross capital employed, is well below the German rate of 17 per cent, and yet company profits are equivalent to a bigger share of gross domestic product in Britain.

The solution to the investment, research and development and training gaps was to allow business to keep a greater proportion of the surplus it generates, the CBI said.

On income tax, the CBI said that the top rate on earned income should be reduced to no more than 50 per cent from the present 60 per cent level, in line with reductions throughout the English-speaking world.

Mr Banham said that companies were finding it increasingly difficult to persuade personnel to return to Britain after a spell overseas, because of high levels of taxation.

The CBI was not against reductions in the basic rate of income tax, but emphasized that the priority for the economy at this stage was additional investment, not extra consumption, Sir David said.

Sumrie cash call for US purchase

By Colin Campbell

Sumrie Clothes — now led by a fresh management team after the August purchase of a 29.5 per cent stake by City and Westminster Financial and others, and set on a new course — is making a £500,000 one-for-two rights issue at 40p a share, and expanding into the US.

The rights issue will help finance the purchase of Betty Owen Secretarial Systems of New York, taking Sumrie into the field of education training and staff placement in the US.

The maximum aggregate consideration for Betty will be \$1.85 million (£1 million) plus 368,000 Sumrie shares valued at £269,000.

Sumrie's latest interim re-

port covers the six months ended September 26, and shows a pretax loss of £298,000.

The new board says that after the August changes the condition of the company was found to be "much worse than had been reported and warranted" with a low order-book and a number of contracts at unattractive prices. "In the light of these results the directors do not intend to declare an interim dividend," it says.

The board says it views the future with "guarded optimism." The share price reaction yesterday was volatile, with Sumrie wavering between 75p and 65p before edging to 67p.

Abingworth gains at halfway stage

By Alison Eadie

Abingworth, the venture capital company, made pretax profits of £72,800 in the half year to the end of December, against £65,000 in the previous first half.

Its net asset value was 313p a share at the end of December against 306p a year earlier, but that compares with net assets of 387p a share just before the October stock market crash.

Despite the volatility of financial markets, Abingworth believes it is right to be cautiously optimistic. The market fall has significantly reduced the price of private company financing, which should prove beneficial provided rigorous selection criteria are maintained, the company said.

Dividends and interest received were higher in the period at £339,800 against £207,900, but expenses also rose sharply to £557,800 from £367,500 reflecting the costs of expanding management.

Abingworth said its portfolio contained a substantial number of soundly managed and well financed companies with high growth potential whose fundamental strengths would be reflected in the asset value. Abingworth shares rose 5p to 213p yesterday, still at a substantial discount to asset value.

The company provides venture capital mainly to high technology companies.

No interim dividend was declared.

Telecom lined up Sir John

Sir John Harvey-Jones, the flamboyant former ICI chairman, was, I can reveal, offered the chairmanship of British Telecom more than seven months before Sir George Jefferson finally quit the post. While signing copies of his just-published book *Making it Happen. Reflections on Leadership*, at London's Hilton Hotel yesterday, Sir John let slip that he was "sounded out" for the top BT job before he retired from ICI. "It was the one offer that really tempted me. I thought about it very carefully," he said. "I would have loved to have done it — but I'm too bloody old." Sir John, aged 63, who left ICI in March, said he considered the chairmanship of BT to be "the most important job in the entire country. It's an enormous task — it will probably kill someone before they get it right." The BT offer was one of more than 500 he has received in the past year. "Barely a day goes past without someone ringing and asking me to do something," he said. While he has accepted a handful, most have been refused. Sir John is, instead, turning his attention to writing the book, from 6-11am on Sundays, with his daughter Gabrielle transforming the cassette tapes into type. Bravely covering his wounds after his writing style was criticized in some reviews, he said: "I didn't start with the arrogance of believing that I could be a good writer. I found the criticism helpful. Perhaps

THE TIMES CITY DIARY

Snow joke about jobs

The personnel director at stockbroking firm Hoare Govett, who recently returned from a skiing holiday, joined his colleagues for a pint in a nearby pub, gingerly brandishing an injured arm in a sling. Fending off a battery of curious questions, he insisted that it had indeed been caused by a skiing accident. But, refusing to believe his sorry tale, one wit in the party apparently brought the house down by suggesting he had really been sharpening the axe. As that age-old saying goes, many a true word...

my next one will be better." An autobiography mixed with business memoirs is planned next, followed, perhaps, by a novel.

Stitch in time
Has Sir Terence Conran been sticking pins in Tony Clegg? Conran, you may recall, had his summer holiday in France ruined by Mounleugh's bid for Storehouse, and this time, it seems, it was Clegg's turn. He

was noticeably absent from presentations of Mounleugh's interim results yesterday, and it was revealed that, two weeks ago, towards the end of his own holiday within the British Isles, he was struck down by appendicitis and rushed to hospital. "It was not very pleasant at the time, but I am now fit and well," he assured me on his car phone. Leading one to suspect that he was attempting to return to work ahead of doctor's orders, he had to pause in the conversation each time the car negotiated a bump in the road.

Brits rule
BAT's contested takeover bid for the US insurance group Farmers is the latest in a long line of corporate raids by non-American companies, encouraged by the dollar's downturn. According to new figures, 70 per cent of the hostile takeover bids in the US last year came from foreigners, with the British scoring highest of any other. The Brits mopped up 122 American companies during 1987, compared with 43 by Canadians.

Masters' voice

The Pineapple Group soap opera reached a suitably melodramatic conclusion yesterday when a sparsely-attended EGM passed the equally extraordinary deal by which Debbie Moore agreed to sever her financial connections in exchange for a £1 purchase of the Pineapple Dance studios.

The only vote against came from Moore's former husband and co-founder, Norris Masters. He loosed a barrage of questions to stockbroker Don de Groot, the stand-in chairman, about the terms of the deal, Pineapple's disinclination to sell the studios to Masters' company Gamba Timestep for £1.1 million, and the role of present chairman designate Peter Bain, who had been cited as co-responsible in Masters' divorce. Pineapple said it favoured the Moore deal because its future is otherwise saddled with her hefty commission on profits.

Masters said this should have been renegotiated at the time of Pineapple's diversification into marketing services last February, but was left basically intact. But Masters did score one minor victory — he complained that Bain's vote was invalidated because of his relationship to the former chairman and Moore. Bain did not vote and the helpful de Groot acted as neutral chairman.

Overheard in a City winebar: "I accept the pound is worth less than half its 1977 value — but then so are you."

Carol Leonard

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The prophet of gloom and doom who became a saviour after the market crash of 1987

A mission on Wall Street

Bailey Morris talks to John Phelan, chairman of the New York Stock Exchange, who is to lead the market into an era of sweeping reforms.

If there is one person who can be credited with saving the US financial system during the panic of the October crash, it is Mr John J Phelan, the soft-spoken chairman of the New York Stock Exchange.

The "meltdown" he predicted as early as 1986 occurred almost exactly as he had anticipated. Wall Street's prophet of gloom and doom suddenly became its saviour, manning a "crisis centre" at the Exchange's headquarters at 8 Broad Street which saved the day.

It was Mr Phelan who stubbornly refused to close the Exchange on Tuesday, October 20 — the day after Black Monday — allowing trading to continue despite the frantic appeals of business leaders and other officials who argued for a halt. It was at his behest that the Exchange appealed to the US Federal Reserve Board for the added liquidity that saved the system from total collapse.

And now, with memories of the panic still fresh, it is Mr Phelan who is prepared to guide Wall Street through the most sweeping reforms of the post-war era. The impact of these reforms, which go to the core of the market's functions, will be felt in London, Tokyo and other world markets.

In a wide-ranging interview with *The Times*, Mr Phelan made clear that he intends to introduce measures to restore public confidence before Congress and the Securities and Exchange Commission can act.

These will include:

- a proposal to halt trading in individual stocks if their prices rise or fall dramatically by certain specified amounts — this would alter the Exchange's long-held policy of no fixed price limits;
- an expansion for up to one year of voluntary limits on computer programmed trading, which was cited as an important cause of the market crash;
- a complete overhaul of the system of "specialists" — market-makers on the floor of the Exchange — which attracted

criticism that they failed to stabilize the market; ● the launch of an extensive study by member firms to rethink the purpose and responsibility of US equity markets, placing special emphasis on the ability of a small number of institutions to dislocate the entire system.

In preparing these new "circuit breakers" to lessen the enormous volatility in markets, Mr Phelan said he had no fear they would result in a dramatic shift of business to London and Tokyo.

"That is a myth. I have very little concern about driving business overseas. You can only go where there is liquidity. Even if you switch to another system, you probably will sell to a dealer rather than an open customer, and that dealer will come back and lay it off here. It will rebound back," Mr Phelan said.

This does not mean he has not given considerable thought to the functioning of markets in London and Tokyo and to their impact on New York.

Almost immediately after the market turmoil subsided, Mr Phelan said he telephoned Sir Nicholas Goodison, the chairman of the Stock Exchange in London, to obtain more details on what happened in the City, and find whether the trading on the London Exchange was "inter-related in any way".

Mr Phelan offered to share any studies the NYSE conducted with Sir Nicholas, whom he described as an extremely competent financial leader. "We are constantly chattering back and forth, sharing ideas and problems. This is quite a difference from five to seven years ago," Mr Phelan said.

His initial findings, however, suggest that one day after the market crash London and Tokyo began to "de-couple" from the New York market.

Over the longer term, however, Mr Phelan suggests that this de-coupling may become impossible as the markets



Financial saviour: John Phelan aims to take prompt and effective action to restore public confidence

become truly interconnected. This will occur over a five- to 10-year period, and will require the evolution of an international regulatory network to lessen the global risk.

He foresees a greatly enhanced role for the West's central banks, providing an infusion of liquidity as the "lenders of last resort" in times of crisis. The beginnings of this closely co-ordinated banking network were seen during the international silver crisis of the 1970s.

Mr Phelan said it was a great relief that the crash on Black Monday did not result in a failure of the international payments system. But he said it did raise strong concern over the lack of knowledge of the risks assumed in different markets by large member firms.

"On the international market, there are only a limited number of players and they are in all the important markets, making significant commitments. But we do not know what risks they are

taking in other markets which could affect this market," he said.

More immediately, as Wall Street undergoes a massive retrenchment, resulting in layoffs of thousands of employees, Mr Phelan foresees an even more traumatic impact in London, which he described as more over-built than New York.

This will almost certainly occur if nervous individual investors remain on the sidelines, provoking not just a flattening of the great bull market which began in 1982 but an actual downturn.

It is largely for this reason that Mr Phelan is moving quickly to enact changes in the system that will convince small investors that "we, the Exchange, share their concerns" over the unbridled power of a small number of big institutional investors.

In a rapid-fire conclusion, he outlined the likely results in 1988 of the most comprehensive review of Wall Street since the Great Depression.

Congress, he predicts, will not act this year to pass key reforms because of a heavy legislative schedule and the rigours of the Presidential election campaign.

But the Exchange will act, not only by establishing new rules to reduce volatility in trading, but also by injecting more capital into the market as it overhauls the specialist system.

Mr Phelan said that over the past two weeks the NYSE had already taken important steps to strengthen its specialist operation by reallocating some stock for the first time in its post-war history. He said that the stock of JP Morgan had already been reallocated to another specialist, and that another company's stock would be reallocated over the next two weeks.

He said that as the lines blur between banks and securities firms, the Exchange hopes to convince banks to enter its specialist system, providing

more capital. In addition he said the Exchange will encourage its specialist companies to diversify, by seeking liaisons or mergers with unrelated companies such as insurance firms and large business institutions. This would provide a deeper well of capital.

Over the longer term, he foresees a greatly enhanced role for the Fed as it increases its relationship with leading securities markets. This he described as an evolutionary process which would occur naturally over time, transforming the Fed into the dominant regulator of the securities industry.

Mr Phelan said that although the NYSE was proposing to place some limits on computer program trades in times of volatility, he did not favour the imposition of daily trading limits, which would have a negative impact on the 12,000 shares listed on the Exchange. He said the recent volatility had affected only an estimated 250 of those listed shares.

Diamonds still shine amid market gloom

By Colin Campbell

Amid the gloom of October's stock exchange shakeout, one investment avenue still shines — diamonds.

Helped by three increases since 1986 in the price of rough stones marketed by De Beers' sales arm, the Central Selling Organization, and by market scarcities, the dollar prices of polished one-carat stones have increased sharply. They have also kept pace with the depreciation of the dollar against continental currencies and the yen.

Prices of stones of two carats and more have increased in all currencies, and record sums have been paid for important and unusual diamonds.

The Economist Publications in a survey in its *Inflation Shelters* series — *Diamonds 1988* — forecasts that at the lower end of the diamond market there will be a 30 per cent price appreciation (in current dollars) by 1995. For better stones increases of the order of 10 per cent this year are forecast.

"In relation to equities, diamonds are keeping their glitter," the report says.

As the buoyant art market indicates, a general interest in tangible assets has re-emerged, partly because real incomes have been growing sharply in some economies, while for-

times have been made in securities markets and investment banking.

"Quite simply, there has been a lot of 'new money' around, and some of it has spilled over into art and jewellery markets."

The report notes that even during the week of Wall Street's crash, a 64-carat D flawless stone was sold in New York for \$100,000 per carat, and that a 100-carat D flawless stone was reportedly sold in late 1986 for about \$12 million.

One healthy aspect highlighted in the survey is the view that price rises have not been fuelled by credit.

Among traders, rough dealers have retained profits while diamond manufacturers and merchants have enjoyed better business conditions.

Further down the pipeline, manufacturers, merchandisers and retailers have benefited from the resurgence in diamond sales.

"The supply-demand equation suggests that the upward momentum of prices will be maintained, barring any major recessionary trends in the world economy," *Diamonds 1988* adds.

Diamonds 1988 is published by The Economist Publications, priced £50.

Tax action urged against US firms

By Sheila Gann

The Government was urged yesterday to take retaliatory action against US companies with British-based subsidiaries unless certain states abandon their "unfair" tax regime against British companies.

An all-party group of MPs asked the Government to trigger off section 54 of the Finance Act 1985 so that tax credits can be taken away from American-owned companies operating in Britain.

Mr Michael Grylls, Conservative MP for Surrey North West, led a delegation to protest to Mr Norman Lamont, Financial Secretary to the Treasury, yesterday that the recent Californian

legislation still imposed unfair taxes on British firms.

Mr Grylls said: "We do not want to enter into a tax war with the United States but it has started in California. We have to say to our friends in the United States that retaliation may be the only alternative."

"We expect to see it resolved in 1988. If we do not we will use our influence on the Government to trigger off section 54."

After the meeting the Treasury said: "We are keeping the issue under careful review."

The new Californian laws will give British companies the option of paying a fee instead of facing unitary taxation.

HE'S THE CHAIRMAN OF A MAJOR MULTINATIONAL. BUT HE'S MISSING SOME VITAL INTELLIGENCE.



His company relies on large, centralised computers.

At the moment, they're busy with the monthly accounts.

So, his own request for information, and his decision, will have to wait.

It's a frustrating way to work, and it's inefficient.

In fact, studies show that the productivity of 'knowledge workers' has fallen over the last decade, despite computerisation.

A more intelligent approach

At Hewlett-Packard, we've developed a different approach, which we call distributed intelligence.

This puts more computer power 'on the desk' in each department. (So the Chairman can have his sales analysis, and Accounts their monthly figures. Simultaneously.)

Naturally, all departments can still call up information from a central database. Moreover, they have the necessary power to communicate their ideas.

In short, distributed intelligence means better decision-making throughout your organisation.

It's the revolutionary result of a £150 million research project into how computers think. (Or 'computer architecture' as your dp people would say.)

That's the sort of breakthrough you'd only expect from a company that each year spends 10% of turnover on research and development.

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Hewson at Hewlett-Packard Limited, FREEPOST, Eskdale Rd,

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A more intelligent approach to computing

Portfolio - Gold -

From your portfolio card check your eight share price movements on this page only. Add them up to give you your overall total and check this against the daily dividend figure. If it matches, you have won outright or a share of the total daily prize money stated. If you are a winner follow the claim procedure on the back of your card. You must always have your card available when claiming. Game rules appear on the back of your card.

No.	Company	Group	Share Price
1	Ren Bros	Banking/Finance	100
2	Bentalls	Drapery/Stores	100
3	BBA	Industrial A-D	100
4	M&C (as)	Property	100
5	Berkley Grp	Industrial S-Z	100
6	Simon Eng	Industrial S-Z	100
7	UK Land	Property	100
8	Ilfracombe	Textiles	100
9	Delyn Packaging	Textiles/Print/Adv	100
10	Tate & Lyle (as)	Food	100
11	Russell (A)	Industrial L-R	100
12	Wyndham Eng	Industrial S-Z	100
13	Grampian Hlth	Industrial E-K	100
14	Scott Ship	Drapery/Stores	100
15	Marle Sports (as)	Textiles	100
16	Douglas (RM)	Drapery/Stores	100
17	Wicks	Drapery/Stores	100
18	Sainsbury	Food	100
19	Parl Foods	Food	100
20	Burrell (H)	Industrial A-D	100
21	Harris (Overseas)	Drapery/Stores	100
22	Berford (S&W)	Food	100
23	Locks	Textiles	100
24	Scotex	Textiles	100
25	Stoke	Banking/Discount	100
26	Shaw Savill	Property	100
27	Harworth Ceramic	Industrial E-K	100
28	Parkland 'A'	Textiles	100
29	Lee & Metro	Property	100
30	Dumas Grp (as)	Drapery/Stores	100
31	Hawley (as)	Industrial E-K	100
32	Ling Prop	Property	100
33	Rowntree (as)	Food	100
34	Walker, Greenbank	Industrial S-Z	100
35	Newman Inds	Industrial L-R	100
36	Spur (JW)	Industrial S-Z	100
37	Granger	Property	100
38	Campani	Leisure	100
39	Victor Products	Industrial S-Z	100
40	Asac Fisheries	Food	100
41	Briton	Property	100
42	De Land	Property	100
43	Castle Broadloom	Textiles	100
44	Trinco	Motor/Aircraft	100

Please take into account any minus signs

Weekly Dividend						
Please make a note of your daily totals for the weekly dividend of £8,000 in tomorrow's newspaper.						
MON	TUE	WED	THU	FRI	SAT	SUN

BRITISH FUNDS

High Low Stock Price Chgs

SHORTS Under Five Years

1	100	100	100	100	100	100
2	100	100	100	100	100	100
3	100	100	100	100	100	100
4	100	100	100	100	100	100
5	100	100	100	100	100	100
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7	100	100	100	100	100	100
8	100	100	100	100	100	100
9	100	100	100	100	100	100
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15	100	100	100	100	100	100
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32	100	100	100	100	100	100
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37	100	100	100	100	100	100
38	100	100	100	100	100	100
39	100	100	100	100	100	100
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41	100	100	100	100	100	100
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44	100	100	100	100	100	100
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46	100	100	100	100	100	100
47	100	100	100	100	100	100
48	100	100	100	100	100	100
49	100	100	100	100	100	100
50	100	100	100	100	100	100

FIVE TO FIFTEEN YEARS

1	100	100	100	100	100	100
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46	100	100	100	100	100	100
47	100	100	100	100	100	100
48	100	100	100	100	100	100
49	100	100	100	100	100	100
50	100	100	100	100	100	100

OVER FIFTEEN YEARS

1	100	100	100	100	100	100
2	100	100	100	100	100	100
3	100	100	100	100	100	100
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47	100	100	100	100	100	100
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UNDATED

23%	Trans	3%	37%	4%	9.4	---
23%	Comcast	2%	37%	4%	8.5	---
24%	Trans	2%	39%	4%	9.3	---

INDEX-LINKED									
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9%	105%	Trans	3%	1990	136	+	2.1	9.355	---
11%	117%	Trans	3%	1991	137	+	2.3	9.500	---
11%	99%	Trans	3.2%	1992	107%	+	3.0	3.693	---
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9%	94%	Trans	3.2%	2001	105%	+	3.2	3.982	---
9%	94%	Trans	3.2%	2002	106%	+	3.3	3.992	---
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9%	79%	Trans	3.2%	2032	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2033	91%	+	3.4	3.693	---
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9%	79%	Trans	3.2%	2110	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2111	91%	+	3.4	3.693	---
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9%	79%	Trans	3.2%	2134	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2135	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2136	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2137	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2138	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2139	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2140	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2141	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2142	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2143	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2144	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2145	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2146	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2147	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2148	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2149	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2150	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2151	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2152	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2153	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2154	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2155	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2156	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2157	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2158	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2159	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2160	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2161	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2162	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2163	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2164	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2165	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2166	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2167	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2168	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2169	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2170	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2171	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2172	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2173	91%	+	3.4	3.693	---
9%	79%	Trans	3.2%	2174	91%	+	3.4		

FOREIGN EXCHANGES

FOREIGN EXCHANGES

Base Rates %: Clearing Banks 8% Finance Hse 9	Dollar CDs (%)
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5 8% Financa Hse 9	Dollar CDs (%)

LONDON FINANCIAL FUTURES

LONDON FINANCIAL FUTURES

VM 2857 Aug 121.0-20.5 VM 2847 VM 149-K Lander-O - Estimated adult carcass weight

YOUR OWN BUSINESS

Score with a try in the fashion field

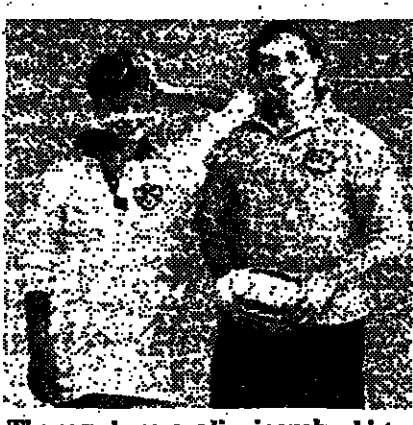
By Vivien Goldsmith

The death rate among new businesses is so high that a new life-support system has been devised by the North West region of 31. The first business to get the intensive-care treatment is a scrum of rugby men who have sported their tacking gear as a fashion winner.

Cotton Traders was set up by two ex-England rugby captains, Fran Cotton and Steve Smith, who worked together in the sportswear division of French Connection. They plan to sell replica international rugby shirts through shops within-shops and already run a mail-order company.

The company invested £60,000 in the venture and decided to give it all the care the network could muster. The firm was already in contact with Manchester solicitors Alsop Stevens, where one of the partners, Tony Neary, is also an ex-England international rugby player.

Then 31 matched it with the manager of Nat West's largest city centre branch in Manchester, who was willing to nurse start-up companies, and the accountants Arthur Anderson, which had also made a commitment to putting effort into emerging businesses.



The new glamorous line in rugby shirts

"We are aiming at a niche in the retail market similar to Sock Shop and Tie Rack", says Fran Cotton. "The varied colours, rugby's social image and the more shirt-like design, make rugby shirts a popular leisurewear item." After just two months, Cotton Traders is heading for profits. "We have been very lucky with our team", says Cotton. "We speak to the co-ordinator at 31 almost every week."

Research by 31 into the fate of business start-ups in the North West showed that within a year they were decimated. After three years, 40 per cent had gone under and after 10 years, 60 per cent were wiped out.

Getting a new company through the early years seemed to be the most

daunting task. Even one third of those that pulled through in the end had, at one time, been on the danger list.

Important factors in determining success are having outside directors, and a spread of shareholders. This brings expertise and outside help to the company. So 31 has set up a network to give promising start-ups intensive care from experts in the early years.

This has involved persuading banks, accountancy firms and solicitors to take on fledgling businesses and lavish them with care. The argument goes that although the input in the early years may be uneconomic, in the long run, if these businesses take-off, they will be sound business propositions. A register of potential non-executive directors is also held by 31.

Midland Bank is focusing on providing help and advice for emerging businesses to set them on the road to profitability. But it is tailoring its new package, Credo, to meet the needs of businesses with turnovers under £10,000.

The banking package includes free banking for the first six months, whether the account is in the red or black (12 months for those on the Enterprise Allowance Scheme), an interest-free overdraft up to £1,000 for three months, and a free review with the bank manager nine months after the account has been opened. Small business loans are at a 0.5 per cent discount if repayment insurance is taken out - at 7½ per cent for secured loans and eight per cent for unsecured.

BRIEFING

Mobile franchises, increasingly popular for affordability and flexible working hours, will feature at Bristol Exhibition Centre tomorrow and Sunday in Enterprise '88, a franchise and business opportunities exhibition, writes Sally Watts. They include video stores, car valeting, motorcycle couriers, and overnight parcel deliveries. Nearly 50 companies want to sign up regional franchises; businesses range from glass engraving to contract cleaning and running a pub.

However the exhibition, with three seminars, takes in all aspects of start-up, including home-run businesses and openings for husband-and-wife teams. Investment could be from £1,500 for a home printing business to more than £50,000 for a high-street retail franchise.

The exhibition moves to Birmingham's National Exhibition Centre (NEC) from March 18 to 20 and to Manchester's G-Mex Centre from June 24 to 26. Enterprise '87 in

Birmingham alone led to 84 franchises and created 320 jobs, attracting both the unemployed and those in work, but disillusioned with their prospects.

Contact: Acumex Ltd, Drenth House, 865 Ringwood Road, Bournemouth, Hampshire BH11 8LW; phone 0202-581122.

Help for small businesses in country areas will be boosted by the Employment Department this year. The department aims to recruit 10 more counsellors for its Small Firms Service in the autumn, writes Brian Collett.

The counsellors are often consultants with small businesses of their own who can work for the service on contract for at least 100 days a year, giving basic advice on all aspects of starting or developing a small business. The service already has 311 counsellors, paying them £40 a day plus expenses.

An Employment Department official said: "We want to use the extra counsellors in rural areas where we are not so well represented."

The boost coincides with the Department of Trade and Industry's new drive to stimulate small and medium-

MR FRIDAY



size businesses. However, this help will be tailored to the needs of specific types of businesses with up to 500 employees.

Prestige block where a PM once lived

By Christopher Warman
Property Correspondent

The new Lansdowne House in Berkeley Square, Mayfair, shares one attribute with its illustrious predecessor which was built by Robert Adam in 1762, and that is that it was designed to be the most prestigious building in the area.

Thereafter their functions are somewhat different, for the original Lansdowne House was built as the home of the Earl of Bute, Prime Minister to George III, while the new version is a huge office block, seven floors tall, and providing 175,600 square feet of high-quality accommodation.

Its building costs were £130 per square

foot, (about one-third of the building cost of the Lloyds building in the City), giving a total cost of over £20 million, and Lansdowne House was launched yesterday, both in the UK and worldwide by Legal & General, as the flagship of their £2.5 billion property portfolio.

Peter Slim, managing director of Legal & General Property, reports that interest has been exceptional, and with demand for such prestigious offices so strong and

supply so short, he believes that it will be a question of selection when it comes to letting the building.

It will be let in units of 8,000 square feet or more. While there is interest from City firms wishing to relocate, it has not been designed with large dealing floors, and is seen more as a headquarters building for such as banks or service-oriented industries.

Legal & General claim that the quality of the building is unrivalled, and it certainly represents something special in the West End. Light and airy, it has a large marbled central atrium

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Evert completes a famous victory

From Rex Bellamy
Tennis Correspondent
Melbourne

Steffi Graf, Chris Evert and Martina Navratilova looked surprised, even a little confused, after the women's singles semi-finals of the Australian championships yesterday. An hour or so earlier, all had reason to believe that Graf would play Navratilova in the final. Instead, she will play Evert.

Graf beat Claudia Kohde-Kilsch 6-2, 6-3 and then told us she was "pretty sure" (a common view) that

Melbourne results

WOMEN'S SINGLES: Semi-finals: S Graf (FR) vs C Kohde-Kilsch (FR) 6-2, 6-3; C Evert (US) vs M Navratilova (CZ) 6-4, 7-5. **WOMEN'S DOUBLES:** Semi-finals: J Bates (GB) and P Lundgren (SWE) vs A Cassie (GB) and R Smedley (GB) 7-5, 6-3; L Leach and J Pugh (US) vs M Davis (US) and B Driessche (AUS) 5-7, 7-5, 6-4. **MIXED DOUBLES:** Quarter-finals: T Nijssen and Miss C Bakula (NED) vs J Harkad and S Smith (GB) 7-5, 4-6, 6-4; E Derry (FR) vs S Loomers (GB) 4-6, 6-4, 6-4.

Navratilova would win the next match. But Evert won it 6-2, 7-5, whereupon Navratilova said she wanted to watch a film of the match: "I couldn't work out what I was doing wrong."

Evert, aged 33, had not beaten Navratilova in straight sets in a grand slam tournament since 1975. Pleased but puzzled, Evert admitted that she had not looked beyond yesterday's match: "I hadn't thought about playing Steffi but I'll have to think about it now, because I haven't found a way to beat her." Graf has won their last four matches in straight sets.

Having played Navratilova for the seventh time, Evert commented: "I know how to beat her and she knows how to beat me. It's a question of executing the shots on a particular day. This was a great victory for me. It meant a lot. I won because I returned



Congratulations and consolation: Left: Lundgren and Bates (right) celebrate after reaching the men's doubles final and right: Evert (right) comforts Navratilova after her defeat

service well, passed well, won most of the baseline rallies — and because Martina missed a few volleys."

That needs expanding. Evert's serving, anticipation, footwork and tactical variations were admirable. Her passing shots and lobs were bold and often deft. Her trainer had told her to pass down the line and she did so effectively, especially on the backhand.

Navratilova said that at first the brightness of the day bothered her. She may soon be playing in sunglasses. If a suitable frame can be devised, but what really spoilt her game was the inconsistency of her first service (only 55 per cent were on target) and backhand approach shots. Too often, she volleyed

under more stress than she could tolerate. "I had a hard time getting to the net and wasn't comfortable when I got there," she said. But the match contained much smart, imaginative, highly skilled tennis and also had a close finish. In the second set Navratilova was twice a break up and she led 5-3. Evert, proud of the way she had bounced off the ropes, called home — in Florida — to tell her parents about it.

Graf, the first German to reach the final, plays a baseline game similar to Evert's, but faster. Yesterday Kohde-Kilsch, a competent all-court player as close to her best form as makes no difference, looked like a willow in a storm. To change the analogy, when she went to the net one thought of

the Light Brigade charging the guns.

Graf, range-finding, lost the first eight points but then punctuated the lunch hour with awful booming noises. A bird sang, a turbo-prop aircraft droned lazily by, and a butterfly with a death-wish fluttered across the court. None of that seemed to fit in with the thunder of Graf's tennis.

Quick, springy and supple, she skipped and bobbed about, belted the ball this way and that, and had the time of her life. In the last rally Kohde-Kilsch played two shots that were probably going out, but Graf — at the net — played them anyway, just for the fun of it. She was airborne for her last shot: an acrobatic,

flailing forehand volley packed with the boisterous joy of youth.

Jeremy Bates, who won the Wimbledon mixed title with Jo Durie became the first British player to reach the men's doubles final here since Fred Perry and Pat Hughes were runners-up in 1935. Bates and his Swedish partner, Peter Lundgren, beat Andrew Castle and Roberto Saad 6-7, 6-4, 7-6, 6-3 in two hours and 33 minutes amid the echoing emptiness of the centre court at the end of a crowded day.

Castle and Saad had played for five hours and ten minutes the previous day. Hard and well though they laboured, yesterday's match almost inevitably assumed the nature of a swan-song. In the final Bates

and Lundgren, a lively chap with a Medusa-like hairstyle, will play an American team, Rick Leach and Jim Pugh.

The men's singles semi-finals will be played today. The first concerns two Swedes: Stefan Edberg, champion in the past two years, and Mats Wilander, champion for the two preceding years. Wilander has won four of his six matches with Edberg on the kind of surface in use here and, moreover, looks in better form.

But even Anders Jarryd, another Swede, concedes that the champion is likely to emerge from the other half. Ivan Lendl, who has won his last 31 matches on hard courts, plays Pat Cash, who beat him on grass at Mel-

bourne and Wimbledon last year. Lendl won their five other matches. Like Wilander, neither has lost a set here. Each is playing like a superman.

Lendl prefers to attack from the baseline. Cash from the forecourt. The superb courts of Flinders Park give such contrasting styles of play an even chance, as we were reminded during the Evert-Navratilova match.

It could be a straw in the wind that Cash is living at home between matches, just as Lendl does while dominating the United States championships. So far, Cash has also been more consistent with his first service. But I have lost interest in backing anybody to beat Lendl.

Luton allowed to stage cup semi-final at home

By Dennis Signy
and Ian Ross

Luton Town have police consent to stage the second leg of their Littlewoods Cup semi-final against Oxford United at Kenilworth Road, with an allocation of 3,500 tickets for visiting supporters.

There had been fears that the police would insist on the tie being switched to a neutral ground following incidents after Tuesday's quarter-final game against Bradford City.

Luton and Oxford were delighted that yesterday's semi-final draw had brought them together and paired Everton with Arsenal, the two remaining leading contenders for the Cup.

The Kenilworth Road ticket allocation will attract the biggest influx of visiting supporters to Luton since they imposed their ban on away supporters. Bill Tomlins, the Luton secretary, confirmed that agreement had been reached with the police to stage the game at the ground.

He said the police would have allowed for any of the quarter-finalists to have played at Luton because of the good

Semi-final draw

Everton v Arsenal
(first leg on February 7, second on February 24 or 25)
Oxford United v Luton Town
(first leg on February 10, second on February 24 or 25)

record of their supporters.

Although there was a stabbing incident in Oxford on the day that Luton won 5-2 at the Manor Ground in September, for their first away victory of the season — a man is presently on bail — there is no record of bad behaviour involving United supporters.

Jim Hunt, the Oxford secretary, confirmed that United would sell their allocation of tickets to season ticket holders and members.

The date of the second leg will be decided after meetings between Football League officials and television representatives, either on Wednesday, February 24 when recorded highlights are due, or Sunday, February 28, when a game is to be televised live.

Luton and Oxford will meet three times in three weeks. The sides meet at Kenilworth Road in the League on Feb-

ruary 6, with no visiting supporters present, then play the first leg of the semi-final on February 10.

Ray Harford, the Luton manager, said: "If I had been given a choice of opponents, it would have been Oxford rather than the other two. I hear Maurice Evans says his side will go through to Wembley so I presume he is pleased with the draw, too."

Arsenal will be keen to hang on to the trophy they won by beating Liverpool at Wembley last April, while Everton have never won this competition and will be equally determined to put the record straight.

Colin Harvey, the Everton manager, admitted that he would have preferred to play the second leg at Goodison Park. "In this sort of situation I think most clubs would prefer to be at home in the second leg," he said.

"I suppose that some people will be saying that this could well be regarded as the final itself but that is far from being the truth. The final is played at Wembley and not at Highbury and Goodison Park. We are already looking forward to the two games but it is important to remember that we have vital League and FA Cup matches before we face Arsenal."

Kevin Ratcliffe, the Everton captain, who has missed the last three games with a groin injury, could be out of action for a further three weeks and is rated "doubtful" for the first leg.

"Kevin is on crutches at the moment and it will be another fortnight or so before he can even contemplate a return to training. He must already be regarded as doubtful for the semi-final first leg on February 7," Harvey said.

Watford in sharing proposal

By Dennis Signy

David Morritt, the chairman of Watford, the GM Vauxhall Conference football club, wants to buy Elton John's shares in Watford and become their chairman. It was revealed yesterday. His plan would be to share Vicarage Road between the clubs.

Morritt, a property developer, is in the United States, but Alan Clifton, the Watford vice-chairman, confirmed an approach three weeks ago to Paul White, of Haverover Dances, the organizers of the sale of John's shares. Clifton said that Morritt had visited Watford and met John's representatives to discuss the proposal.

To raise the £2 million needed for the deal, Morritt wants to sell Watford's Lower Meadow ground, which is estimated to be worth more than £6 million. He made his first move when Robert Maxwell's attempt for his British Printing Communications Corporation to buy John's shares was blocked.

Watford owns the freehold on the ground and, with a shortage of cash and money needed to improve the safety of its stadium, has been looking for an alternative site for a new multi-purpose stadium.

But the immediate reaction from Haverover Dances was "That is an impossibility."

A "handful" of people have inquired about buying John's shares, including Dennis Morritt, the former Luton chairman, and now a major shareholder of Birmingham City.

Paul Raymond, the club owner, had a 25-minute meeting with John's agent, a Watford director and John's manager, to discuss purchasing John's shares. White said "I have not heard from him since."

Bassett braves austere Sheffield United world

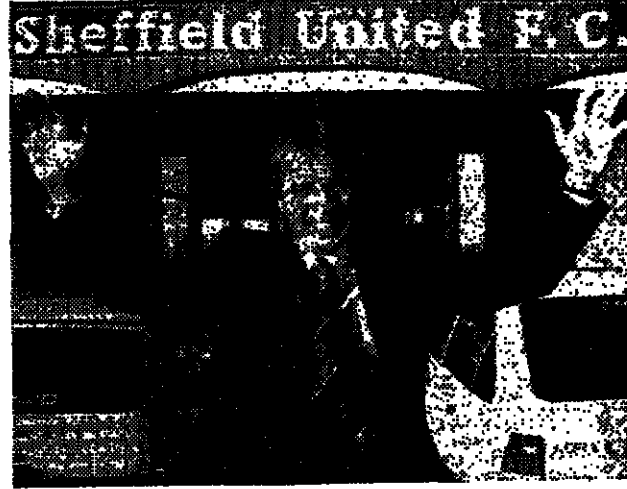
By Martin Searby

Sheffield United yesterday appointed Dave Bassett manager three weeks after his predecessor, Billy McEwan, resigned from the second division club.

The former manager of Wimbledon and Watford has been given "an indefinite" roll-on contract and he will take up his duties on Monday. Danny Bergara, the Sheffield coach, will pick and brief the team for the home game with Plymouth Argyle tomorrow.

Although the move will come as something of a culture shock for Bassett, since all his playing and executive days, have been spent in the London area, he said: "If a job with a London club had come up I would not have taken it because it was time to move. The change will be as good as the long rest I was hoping for after leaving Watford, but the job here might not have been available when I was ready to resume. This is a bigger club than either Watford or Wimbledon with a tremendously passionate support."

But Bassett, who took the South London club from the fourth to the first division, warned against any miracle anticipation. "I am not a magician," he said. "I don't have a magic wand to enable me to walk into Sheffield and say 'right, we're going up'. I'm just a normal fellow who has



A shiny new blade in charge at Bramall Lane: Dave Bassett

worked hard and enthusiastically. Hopefully I can take Sheffield into the first division, there would be no point in coming here if I didn't think I was capable of that. But the first thing is to consolidate the position in the second division and have a good run in the Cup.

"What happened at Plough Lane was built up over a fair amount of time and it needed patience because we had a few set backs on the way. The same chemistry and methods can work again here and that does not necessarily mean playing Wimbledon's style. You have to use the strengths of the players on the books."

Reg Brealey, the Sheffield

chairman, has made it clear to Bassett that he will not have money available for buying players and he must work with the present backroom staff.

"He has put his cards on the table and I know where I stand," Bassett said. "This is not a club with a million pounds to spend and big promises which are not kept."

One aspect of the move which will appeal to the Bassett family are the property prices in the Peak District which skirts the City. When he sells his home in Northwood, Middlesex, he can expect to live in pretty opulent rural surroundings and put a sizeable amount in the bank.

Paisley slates dropping standards

Bob Paisley, the former manager of Liverpool, yesterday labelled the present first division as the poorest in living memory (Ian Ross writes).

Liverpool led the division by 15 points and Paisley believes that the lack of quality opposition may well be a significant factor.

"The fact is that there were

only five or six clubs who could possibly qualify to win the Football League title before the season had started. They were ourselves, Everton, Arsenal, Tottenham Hotspur, Nottingham Forest and Manchester United. I cannot say why the standard has dropped but perhaps the lack of European competition has taken

the edge off things," he said.

Paisley does not believe the Merseyside club will become complacent. "One thing is certain, Kenny and his players won't believe it is over. I feel our biggest threat will come from Everton," he said.

Paisley was speaking at a lunch in Manchester

Clockwork play gives Haas narrow lead

From John Ballantine, Palm Desert

Jay Haas, aged 34, the experienced St Louis professional who was in the successful Ryder Cup side of 1983 that beat Europe by one point in Florida, got in late on the first day of the Bob Hope Chrysler Classic to pip Sandy Lyle and Andy Bean by one stroke for the lead.

Haas's 63, a model of clockwork golf, put him into a dangerously narrow commanding position given that first-round leaders rarely last the pace here. Corey Pavin, last year's winner, did not look menacing after a 72, 71 start, but he got into it by virtue of a 65 in the third round and showed them all a clean pair of heels.

The complexity of the format, in which each of the 128 pros plays, with three different amateurs, on the four courses in turn, naturally confuses the

issue. Lyle and Haas, for instance, are in the same field. They were out at La Quinta yesterday and will be at Bermuda Dunes today and PGA West tomorrow so they can keep an eye on one another should they continue to dominate.

Lyle could hardly be in a better position. Having shown that he can master Indian Wells, he will return to that host club for Sunday's final round in confident mood. Also, the Scot's attitude is an extremely positive one. He knows he has the length to leave his driver in the bag and hit tee shots with irons if in any doubt. He used his driver only eight times at Indian Wells.

SCORES: (US unless stated): 63: J. Haas, 64: S. Lyle (GB), A. Bean, 65: R. Ciesewski, A. Meggie, 66: D. Edwards, S. Pate, 67: A. Olmstead (Lancaster), P. Asinger, C. Byrum, R. Black, R. Perry, S. Sandwich, D. Thompson, S. Torenson, 68: K. Brown (GB).

Triumph at last

Monte Carlo (Renter) — Bruno Saby, of France, won the 56th Monte Carlo Rally yesterday, at his fourteenth attempt, finishing the gruelling race 10 minutes ahead of his nearest rival in his Lancia Delta.

Alessandro Fiorio, of Italy, finished second in a privately entered Lancia Delta driven by Jean-Pierre Ballet, of France, driving a Peugeot 205 GTI, third, more than 25 minutes behind Saby, who led from the earliest stages of the five-day race around the mountains of southern France.

Weighing in

Delhi (AFP) — Narendra Hirwani, the Indian spin bowler, who has received rich financial rewards since making his Test match debut by taking 16 wickets, is to be given his weight in money.

SPORT IN BRIEF



Thompson: return to racing

Cosford aim

Daley Thompson will take a break from a vigil at the hospital bed of his seriously ill baby daughter to compete at Cosford this weekend. The Olympic decathlon champion will be taking part in the special four-event competition despite his worries about baby Rachel, who is reported to have been fighting for her life since being born three months premature in December.

Helping hand

Limford Christie, John Regis and Joen Baptiste, are among British male and female sprinters who will share £10,000 from Securicor Express to cover training costs.

Leaving home

Crystal Palace have been forced to switch their Carlsberg League home basketball game with Manchester United tomorrow to Swiss Cottage Sports Centre.

Race blow

Sydney — Gusts of up to 70 knots sank one competitor and swamped two others before racing was abandoned in the Etchells 22 class world championship yesterday.

Driver awards

Nigel Mansell has won the Collier Motor Racing Driver of the Year award while David Llewellyn took the rallying equivalent.

Wales leave Moriarty to prove his worth

Richard Moriarty, the Welsh Rugby Union captain in last year's World Cup, will be very much on trial when he leads Swansea in their Welsh Cup tie at Pontypool on Saturday.

He is not included in the Wales squad of 28 announced yesterday for the match against England at Twickenham on February 6 — but there is a vacancy at lock.

The selectors have yet to name a deputy to Kevin Phillips, the Neath hooker, either. Ian Watkins, of Ebbw Vale, is the obvious candidate, but he injured his back against Cardiff last week, and the selectors are keen to see him play against David Fox, of Llanelli. The pair also meet in the Welsh Cup on Saturday.

Four players have been named in the senior squad for the first time: Jonathan Mason, the Pontypool full back; Mike Hall, the Bridgend

centre; Carwyn Davies, the Llanelli wing threequarter; and David Bryant, the Bridgend flanker.

TEAMS: Full backs: P. Thomas (Neath), J. Mason (Pontypool), W. Jones (Llanelli), G. Webb (Bridgend), A. Hocking (Cardiff), G. Davies (Llanelli), C. Davies (Bridgend), M. Pugh (Pontypool), B. Bowen (St. David's), J. Hall (Bridgend). Stand-off forwards: J. Davies (Llanelli), A. Clement (Swansea), S. Jones (Pontypool), D. Young (Swansea), P. Edwards (Bridgend), M. Phillips (Neath), A. H. Jones (Llanelli), K. Jones (Neath), A. N. Jones (Swansea), G. Roberts (Cardiff), R. Pugh (Neath), G. Collins (St. David's), D. Bryant (Bridgend), R. P. Moriarty (Swansea), P. Davies (Llanelli).

Bradford and Bingley Rugby Union club has withdrawn training a playing facility to Charlie McAllister, aged 24, a goal-kicking utility back and former All Black trialist, after they discovered he recently played, in two secret trial matches for Oldham Rugby League Club.

END COLUMN

Growing support against Bill

By John Goodbody

The Sunday Sports (No. 2) Bill can expect a tempestuous second reading in the House of Commons on January 29. The Keep Sunday Special campaign has marshalled widespread support, ranging from MPs to Harrington Williams, the International Long Jumpers, to oppose a Bill that will transform sport in Britain.

The Bill of Nicholas Soames, the Conservative MP for Crawley, will legalize all sports events on Sundays, including horse-racing. Also permitted will be on-course betting on any track after noon on Sunday and the opening of betting shops after noon on those days when racing takes place. If the Bill is passed, the Jockey Club plans to authorize seven meetings the first year, possibly rising to nine the second and 12 the third.

The campaign is certainly no apologist for the Sunday Observance Act 1780, which has been widely flouted with the holding of many major



Soames: facing opposition professional sports events on the sabbath. The campaign also does not oppose the playing of amateur sport.

"We are portrayed as sports-people, but this is not true. We recognize sport is a leisure activity and of importance to the vitality of the nation," David Blackmore, the manager of the campaign, says.

What the campaign does not want legalized are those events where the object is increased profit and which will also disrupt society on Sundays. "Sunday is the one day the family can be together. It is an oasis of family contact," Blackmore says.

Graham Daniels, who played for Cardiff and Cambridge United, says that many professional footballers regard playing on Sundays as no different from other days. "For them it is a job of work," he says.

He would have played on a Sunday, but would have profoundly resented it because of his religious views — "I had a family to keep. It is a matter of pragmatism." But people, he stresses, should never be in that position of being obliged to work.

If Britain's 10,000 betting shops are opened, then about 40,000 further people may be forced into work "against their better judgement", let alone all the other people involved in the racing industry.

Blackmore says: "We are not prepared to negotiate on betting shops. What we are saying to Mr Soames is 'Are you interested in Sunday sport or Sunday betting?'"

Soames's Bill is identical to Lord Wynn's amended Bill, which completed all its stages in the House of Lords last year, except for the clause on the rights of established employees concerning Sunday working, which he will seek to amend at committee stage.

The campaign does not think this clause will give employees sufficient safeguards, because many will still feel obliged to work because of pressure from employers.

Even if the Bill is approved, the campaign will seek to amend it to force through an amendment, obliging local authorities to be responsible for licensing of betting shops, grounds and tracks where professional sport is taking place. A similar amendment was defeated, 35-30, in the House of Lords.

Asked whether this would mean that local authorities could stop events like the Littlewood's Cup final and the Wimbledon men's singles final from taking place on Sunday, Blackmore replied: "No. For major single events then other groups should also have their say — rather just the local authority." There could, suggests Ivor Stanbrook, the Conservative MP for Orpington, be a ruling by the Secretary of State.

The heritage of Eric Liddell, one of the heroes of *Chariots of Fire*, who refused to run on a Sunday at the 1924 Olympics because of religious convictions, may live on. But in face of the demands of modern-day sport there are many compromises with consciences and convictions.